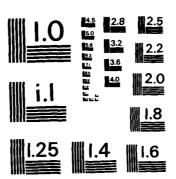
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URBAN REDEVELOPMENT AND THE STRUCTURE

OF POWER: THE IMPACT OF PRIVATE

INTERESTS ON THE POLICY-MAKING

PROCESS IN COLUMBUS, OHIO.

#### DISSERTATION

Presented in Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy in the Graduate

School of The Ohio State University

By

Adolphus Andrews, B.A., M.S.

The Ohio State University

1982

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Adviser

Department of Political Science

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The problem of the study was to analyze and explain the decision-making process and its impact in a medium-sized American city. Significant considerations were to (1) describe and understand decision-making dynamics in a community by focusing on (a) both individuals and groups in terms of their relative importance to each other as concerns bargaining and negotiations, and (b) the dynamics of internal and external interaction in terms of where it occurred, the resources used, and coalition formation; (2) analyze the behavior of major actors as associated with where their major interest lie along observable and subtle

The focus of the dissertation was urban on redevelopment politics and policy making in Columbus, Ohio, with a specific analysis of the planning and implementation of the Ohio Center project. Data for the study was derived from personal interviews, newspapers, periodicals, and reports anđ documents from individuals and organizations in the public and private sectors.

The author concluded (1) The greater the economic stakes, the more business and financial interests in Columbus are compelled to compete for and control the rewards of political action; (2) Only a small number of

enjoy close associations with city government officials;

minority and small business interests do not benefit in the

redevelopment policy process in Columbus.

persons in Columbus have much direct influence, in the sense

that they successfully initiate or veto proposals

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# URBAN REDEVELOPMENT AND THE STRUCTURE OF POWER: THE IMPACT OF PRIVATE INTERESTS ON THE POLICY-MAKING PROCESS IN COLUMBUS, OHIO

#### DISSERTATION

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1982

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Department of Political Science

To my wife and mother, the memory of my grandmother, and the future of my children

#### ACKNOWLEDGMENTS

Attitude, balance, and control - guides to the grail! The mentor commands posture, equilibrium, vigor...

Adolphus Andrews-1978

"Guides to the grail" were many, and I am deeply indebted to many persons for their helping me accomplish Special thanks go to the members of the this task. Political Science at of the Ohio Department University, and especially to Professors Kristi Andersen, Aage R. Clausen, Charles F. Hermann, Lawrence J. R. Herson, Randall B. Ripley, and Herbert F. Weisberg. But most importantly, success could not have been possible without the help of Professor William E. Nelson, Jr., who provided tireless and wise efforts in guiding the completion of this study.

In addition, I sincerely appreciate the support from the citizens and leaders in the Columbus, Ohio community who freely and willingly gave their time and knowledge. And resources provided by the Ohio Historical Society and the Columbus Public Library were most appreciated.

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opened its arms to me and my family, with the Base Community
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#### INTRODUCTION

To understand a proverb and a figure, the words of the wise and their riddles.

Proverbs 1:6

## Problem and Literature

Since World War II, the fortunes of many of the nation's cities have seen a disheartening decline. That situation has led scholars in a variety of fields to label this plight the urban "crisis." Shrinking populations, job losses, and fiscal weakness are common day phenomena in many cities. In many areas, factories in the central cities are being abandoned as firms build closer to suburban freeways. In 1948, the suburbs accounted for one-third of metropolitan employment. In the late 1970s, they now account for more than one-half. The Sunbelt has also gained prominence as new businesses have chosen to locate there rather than in more traditional areas of economic concentration. One

See Stephen M. David and Paul E. Peterson, eds., Urban Politics and Public Policy: The City in Crisis, 2nd ed. (New York: Praeger Publishers, 1976), pp. 11-18; and David M. Gordon, ed., Problems in Political Economy: An Urban Perspective (Lexington: D.C. Heath and Company, 1971), pp. xii-xiv; for historical perspectives on how the crisis developed. Also see Roger J. Vaughan, Anthony H. Pascal, and Mary E. Vaiana, The Urban Impacts of Federal Policies: Vol 1, Overview (Santa Monica: Rand, [1980]), pp. 1 and 2, for specifics on the problem statement.

consequence is that the most distressed cities, measured by employment and per capita income trends, are now heavily concentrated in New England, the Middle Atlantic states, and the East North Central states — the old center of manufacturing. Also in many central cities, there is a growing concentration of the poor as affluent households move into the sprawling suburbs. To illustrate, between 1950 and 1975, 44 of the largest American cities lost at least 10 percent of their population. And, in that same period, central cities lost approximately 3.4 million white inhabitants while gaining nearly 1.2 million nonwhites. Nonwhites now constitute a quarter of all city residents. To add to the predicament, the average state, nonfederal taxes absorbed 13 percent of personal income by 1975 in contrast to only about 8 percent in 1953.

Given these conditions it is reasonable to assume that people who live in a declining city are aware of the urban problem. Many families pay rising property taxes, while their children attend deteriorating schools. While crime rates are also high in some areas, firms continue to operate in old buildings, often have trouble finding skilled labor, and suffer from inadequate transportation services. And public officials who must respond are often caught in a dilemma. Tax bases are declining, while demands are increasing for public services.

Example, fifteen percent of the population in many cities is on Aid to Families with Dependent Children. With crime proliferating in Detroit, nearly one in ten Black males can expect to be robbed in the course of a year. Education is an important value in most communities, but vandalism in schools now costs about \$600 million a year. In many of the downtowns, a decreased demand for traditional city functions has devalued property. To add, the cost of paving public workers, meeting pension obligations, and maintaining public capital must no doubt now often fall on a decreasing number of residents in the central city. And even with rising taxes the quality of schools and public safety slide downward, pushing all but the most immobilized out.

paramount problem according to severa ! One perspectives is governance. Many consider governments in urban areas as fragmented, power dispersed, and with authority so decentralized among a host of competing agencies and jurisdictions that political institutions lack solve the common problems of the the capability to community. A second debility is cities have lacked financial resources necessary to solve enormously complex problems which have amassed over time. Finally, a third perspective is that ordinary citizens, particularly the less financially able and the more dependent upon governmental services, are unable to influence public policy.

In 1949, Congress passed the National Housing Act to provide cities with means to overcome political and economic barriers to the urban restoration. The extensive urban redevelopment projects that have been instituted since 1949 have resulted in dramatic and often major changes in many American cities. But the "urban crisis" is still with us today. Every major city has had at least one extensive renewal project, and several smaller and medium-sized communities have also been "made over". The urban renewal program has been and continues to be a controversial subject.

Urban renewal was the result of a series of amendments made in 1954 to the 1949 Housing Act. 3 Actually, the concept of urban renewal or redevelopment was conceived in the Housing Act of 1937, but over time has changed in terms of scope, emphasis, and significance. The 1937 Act

For a thorough, insightful analysis of the politics associated with the history of these developments see Jewell Bellush and Murray Hausknecht, eds., <u>Urban Renewal: People</u>, <u>Politics</u>, and <u>Planning</u> (Garden City: Doubleday, 1967).

Robert L. Lineberry and Ira Sharkansky, <u>Urban Politics</u> and <u>Public Policy</u>, 2nd ed. (New York: Harper and Row <u>Publishers</u>, 1974), pp. 299-322.

was enacted to provide public housing for the poor under the auspices of public authorities. But for various reasons, new legislation was enacted in 1949 to extend the focus of activity from the public to the private sector. The 1949 legislation established the principal of federal subsidies for private interests involved in sium clearance programs. Change continued in 1954 when various amendments were passed to rectify flaws which stemmed from the 1954 Act. contrast to the 1937 Act which prescribed that all of the redeveloped area be used for residential development, the 1954 Act and subsequent amendments allowed up to 30 percent, of the federal grants to be used for nonresidential or commercial purposes. The intention of the 1949 Act was to provide adequate and decent housing for millions of Americans who lacked it. In addition, the legislation authorized the use of federal funds to redevelop or build additional housing in areas from which substandard housing had been eliminated by the program. This was the beginning of the "site clearance" approach to urban redevelopment, which eliminated blight and deterioration by physically removing substandard housing. Subsequent legislation, though, emphasized the renewal aspect. Buildings and housing that could be utilized if improved were to preserved rather than run over with a bulldozer. the riverfront areas of many cities were the first to be settled and thus the first to be affected by out-migration, many of the most blighted areas were in close proximity to the riverfront and often included substantial parts of downtown business districts. The urban renewal legislation also coincided with the building of metropolitan freeways to make the commute from home to office faster and increase decentralization of businesses and employment from the central cities. Thus in the 1950s, slum clearance through urban renewal was proposed both as the means by which the Central Business District (CBD) would be protected and as a means to rid the city of the social pathologies of inner city neighborhoods. But in the 1960s, the trend toward disintegration continued in many communities, and housing problems multiplied.

There has been and continues to be controversy over the utility of the urban renewal program for improving the quality of urban life. Liberal critics argue most urban renewal projects didn't replace the units destroyed with low cost housing, and in fact, business interests were the only ones in the community to profit from renewal. Moreover, they contended, urban renewal was in reality a less than subtle attempt to remove Black and low-income residents and to restore upper-income groups to areas they had previously dominated. These critics also pointed out planners tended to ignore the social aspects of life, concentrating solely

on the physical aspects. And finally, because such programs were devised in steps and different areas of the city, they often resulted in more rapid deterioration of already marginal neighborhoods.

Opposition by conservatives, such as Martin Anderson, contended such ends could have been better met by private intervention. 4 To him, government interposition cost more than the benefits in material and social terms. included loss of tax revenues arguments during the implementation stage of the project, questionable assumptions about whether business could meet the actual demands for new construction, acquiring of private property for profits in the name of the public, and not replacing old neighborhoods with low cost housing.

Later, a more complex strategy was devised, when in the 1960s coalitions of interests in many cities sought federal urban programs in order to cope with the still growing problems of social control in central cities. 5 For by the mid-1960s, it had became apparent that national economic growth would not eradicate the swelling pockets of

<sup>&</sup>lt;sup>4</sup>Martin Anderson, The Federal Bulldozer (Cambridge: The M.I.T. Press, 1964).

Dennis R. Judd, <u>The Politics of American Cities:</u> Private Power and Public Policy (Boston: Little, Brown and Company, 1979), pp. 360-62, and Vaughan and Others <u>The Urban Impacts of Federal Policies</u>, pp. 1-3.

urban poverty and decay and new ways must be found counter the forces of urban decay. Large metropolitan areas had ceased to grow, and the disparity between the affluent, white suburbs and poor, Black central cities became an important political question. The federal policy response was to conduct an all out war on poverty; one to be fought on several fronts. Programs were aimed at improving social services and education and training, combating discrimination, and, later, increased transfer payments. As these policies were "urban" (many economically disadvantaged people lived in cities and would benefit), other urban problems such as declining urban economies - the need for capital, infrastructure, and market access got attention. The programs would help the poor. Public housing was built in central cities; urban areas were able to offer more training programs, social services, and public transportation subsidies; and city governments actively hired minorities. One result was that economically disadvantaged people were encouraged to move or to remain in central cities. Local officials were well aware, though, that city budgets were neither large enough nor flexible enough to attack the social pathologies of the ghetto. motivated, they sought federally funded programs such as community action, Model Cities, job training, and rent supplements to buy peace in the black ghetto.

This federal role in the 1960s was complicated and consisted of three main purposes. Some programs were designed to help promote downtown development through slumclearance, a secon! purpose was to attempt to solve the social disorder of the cities, and finally some federal programs were addressed to the revence problems of big city mayors--this being especially the case with revenue sharing and the block-grant programs of the 1970s. Thus toward the end of the 1960s, programs to upgrade the tangible capital stock of cities would gain renewed prominence. Model Cities funds would come in the wake to clear areas of dilapidated housing near central business districts, and then build commercial structures and, sometimes middle-income housing, as would federally funded inner-city industrial parks. But, these programs were too small to have much impact on most cities' massive economic problems.

Then came the 1970s and the Nixon Administration's New Federalism which attempted to shift responsibility for problem-solving back to local government. New programs included the Comprehensive Employment and Training Act (CETA), Community Development Block Grants, and General Revenue Sharing. In response, local decision makers would use part of their newly acquired resources - which came

directly to and not, as before, through state channels - to relieve burdens on local taxpayers. Future uses of federal funds would make it clear that fiscal problems had become a dominant concern among local officials.

As a summary point, over 30 years ago, central-city neighborhoods were cleared downtown for urban renewal purposes and highways were built to upgrade the tangible capital stock of cities. With urban governments basing land policies on the idea that land should be used at its "highest and best use," cities would begin to destroy viable residential neighborhoods and replace them with convention centers, hotels, stadiums, and other public facilities. Yet despite the urban renewal projects, many American cities underwent a series of changes that are continually viewed as deterioration. The middle class fled to suburbia. bases eroded, while cities desperately needed funds to deal with their problems. And even with the social programs of the 1960s, the picture in many central cities today includes increasing crime rates, deteriorating schools, cutbacks in public services, inadequate housing, and rising welfare roles. But after the swirl and the salvo of the 1960s, a new Administration would proclaim a new calm. Social problems, of course, remained. But after one responses had failed, a more conservative reflex was the follow-on.

With many cities continually facing problems, they now find themselves ensconced in a politics of economic growth. 6 While the politics of exclusion has characterized the suburbs, the central cities are not in an exclusionary Cities must compete with the suburbs and with other cities for a share of the nation's economic growth, otherwise they are plunged deeper into economic and social crisis. Many older cities, handicapped by technological and market factors which include the need for transportation improvements and new production techniques requiring large land space, congestion, and cheap suburban land, also face social problems such as increasing levels of poverty and crime, vandalism, and other social pathologies. where this analysis of the urban crisis has been accepted, government officials and private leaders have formulated policies to ameliorate these conditions, usually resulting in large-scale, highly noticeable revival or rehabilitation of commercial and/or residential districts and planning and building freeways. Thus the policy response problems today in many cities is what is now called the "New Redevelopment Phase."7

<sup>&</sup>lt;sup>6</sup>Judd, <u>The Politics of American Cities</u>, p. 359.

<sup>&</sup>lt;sup>7</sup>Ibid., p. 383.

To implement new redevelopment policies, cities have launched new programs. And an important facet of these programs in many areas has been an attempt to capitalize upon the tourism and convention trade reflecting the changing economic funtions of cities and the need to meet the challenges expressed above. In many cities, convention complexes have risen in attempts to revitalize the downtown and the city as well. Examples are the Renaissance Center in Detroit and Crown Center in Kansas City.

The "New Redevelopment" phase has also prompted criticism from both the political left and right. with a more liberal view raise the basic question: can revitalization solve the social problems of the central cities. They see new development as attracting tourists and suburbanities to the cities, and hence not solving problems of poverty, low incomes, or bad housing. In addition, they see a sharp contrast between the new redevelopment phase and that of urban renewal in the 1950s and the 1960s: they contend that whereas the new phase is usually directed towa rd the affluent, urban renewal projects statuatorily obligated to have other purposes as well. 8

A more conservative response has been to challenge these developments on their own merits. Considering the

<sup>&</sup>lt;sup>8</sup>Ibid., op. 383-85.

long history of clearance and new construction under urban renewal programs, many fear the cities will lose the cultural uniqueness which has characterized them in the past, and become new suburbs downtown. These critics also see clearance as being less fashionable in the 1970s: restoration and renovation is the new style of revitalization.

"New Redevelopment Phase" of the 1970s has required local governments participating in such activity to need a period of time for policy formulation in order to develop and implement strategies to cope with urban decline. It is this period of policy formulation in Columbus, Ohio, 1969-1979, that is the focus of investigation for this research. The New Redevelopment Phase in Columbus gained its essential meaning as policy during this period of time. Policy in this context refers to the government's authoritative statements about its goals and planned actions in dealing with perceived problems in urban redevelopment activity.

There is much literature on urban renewal, policy making, and policy evaluation:

.Rossi and Dentler's intensive case study of one major project in Chicago.  $^9$ 

. Dahl's study of community power in New Haven which uses urban renewal policy formulation and legitimation to test hypotheses about influence and power relations in that city.  $^{10}$ 

.Harold Kaplan's <u>Urban Renewal Politics</u>: <u>Slum Clearance in Newark</u>, a longitudinal, comprehensive study of urban renewal policy development. Il

.Martin Anderson's <u>The Federal Bulldozer</u> which provides a macro-level critique of the national urban renewal program. Using aggregate data derived from all renewal projects, Anderson focuses on the economic and physical impacts of urban renewal. <sup>12</sup> Anderson, an economist, wasn't concerned with political processes nor policy conflict, however.

Since the New Redevelopment Phase began in the early 1970s, there have been few studies written. One of the few

<sup>&</sup>lt;sup>9</sup>P.H. Rossi and R.H. Dentler, <u>The Politics of Urban Renewal</u>: The Chicago Findings (New York: The Free Press of Glencoe, Inc., 1961).

<sup>10</sup> Robert A. Dahl, Who Governs? (New Haven: Yale University Press, 1962).

<sup>11</sup> Harold Kaplan, <u>Urban Renewal Politics: Slum Clearance in Newark</u> (New York: Columbia University Press, 1963).

<sup>12</sup> Anderson, The Federal Bulldozer.

is Chester Hartman's Yerba Buena: Land Grab and Community Resistance in San Francisco (San Francisco: Publications, 1974) cited by Dennis Judd. 13 The study was a longitudinal. comprehensive asse**ssmen**t of political processes and conflict associated with the Yerba Buena Center in San Francisco. However, the writer couldn't locate a copy of Hartman's work in an attempt to identify his study's research model.

The events of a decade past furnish the materials for this analysis. As related Kaplan's work is contributive in that it is a longitudinal study of 10 years of urban renewal policy making. It also encompasses a broad range of policy-related topics. But Kaplan had an agency perspective (He was at the hub of Newark's Metropolitan Housing Authority), and "clearance activity" was seen as the main policy effect of urban renewal.

Because of a paucity of research done on the New Redevelopment Phase, the author will rely on a model developed by Randall B. Ripley in Patterson, Davidson, and Ripley: A More Perfect Union: Introduction to American Government 14 to provide categories useful for gathering

<sup>13</sup> Judd, The Politics of American Cities, p. 366.

<sup>14</sup> Samuel C. Patterson, Roger H. Davidson, and Randall B. Ripley, A More Perfect Union: Introduction to American Government (Homewood: The Dorsev Press, 1979).

data to form the framework of the research model for this study. The model possesses the same range of policy-related topics as described for Kaplan's model above, but it doesn't assume administrative goals to be the sole measure of policy effects.

The first category of the model is agenda-setting. Topics of downtown redevelopment policy had to become a item to which the government devoted its attention to become on the agenda of government. Once becoming an item on the agenda of government, downtown redevelopment topics had to remain on the agenda long enough for action to be taken on them. To remain on the agenda the topics must interest a large enough number of people to be visible, could not be perceived as threatening to a large majority of the population, and must win the attention and support of some individuals in important institutional positions (e.g., as the Mayor, some member of the City Council, and leaders of business, unions, and other community interests). Principal activities that take place during agenda-setting include the perception and definition of problems and the mobilization of support for including problems on the agenda or changing their relative priority. Many actors, both inside and outside government, compete for the attention of different governmental institutions and actors in creating the agenda of government. Entering the New Redevelopment Phase, in the early 1970s, governmental and community leaders in Columbus must adopt broad goals for achievement.

The second dimension of the model is policy program formulation and legitimation. To achieve redevelopment goals, Columbus government must say what it would do. This involved the formulation of alternative goals and of alternative methods for achieving those goals. It also involved decisions about which goals and methods would be ratified - the legitimation of some goals and programs. To achieve new redevelopment goals in the city, alternatives had to be developed for what should be done and alternatives had to be adopted or ratified and possibly amended. As the reader will note in Chapters two through six, the process of formulation and legitimation intermingled: as various alternatives surface during the phase, their immediate formulation legitimation nonlegitimation may take place. These Chapters also show that during the stage of formulation and legitimation, four First, information collection, activities take place. analysis, and dissemination involve a search for information on the scope of the problem identified for government action and or possible approaches to dealing with it. Secondly, during the development and selection of alternatives, the leaders focus on a few possible solutions. Next, in the advocacy stage, when only one or a few alternatives remain as candidates for adoption, amendment, or rejection, the supporters of those solutions make their respective case where they will have the most payoff. Finally, a decision is made. One alternative may be adopted. No alternative may prove to have enough support to win legitimation, and so the decision maybe not to do anything. Sometimes a decision is made that is meant to be only symbolic. To conclude, legitimated policy statements have both a general goal dimension and specific means for achieving the goal.

Program implementation, or the concrete actions governmental and community leaders take to achieve redevelopment goals is the third category for organizing and selecting Implementing actions inc lude data. the disbursement of money in the form of expenditures, grants, and loans; the assignment of personnel; the issuance of directives; the enforcement of those directives; collection and dissemination of information; the writing and signing of contracts; and the establishing of organizational subunits, such as field offices, coordinating committees, and task forces. Chapters six through eight deal with this aspect of the research model.

Finally, the evaluation of policies that have been formulated, legitimated, and implemented are the fourth aspect of the model. All aspects of such policies and

programs are candidates for evaluation - processes, content, the nature and quality of their implementation, and the nature and quality of their impact on society.

In summary, policy is made in response to problems that have been seen and defined. The degree of support mobilized conditions the response made to the problem, i.e., getting it on the agenda or changing priorities. Downtown redevelopment policy, then, is the formulation and legitimation of activities through the mobilization of support to the extent necessary to revitalize the central business district.

The implementation of policy in Columbus has required the acquisition of necessary resources, interpretation of statues, organization of bureaucratic units to carry out the work load, and provision of benefits to intended recipients. The federal system is also important in the context in which policy decisions are implemented. And although the point of the most important policy implementation is at the local level, many people and groups get a chance to influence how programs are carried out. Oftentimes, given the limited powers of American local government, temporary coalitions and quasi-public structures must be set in the midst of the general flow of policy actions.

Once government has decided what problems to pay attention to, said what it would do about a problem after

assessing alternatives, and begun steps to transform policy statements into action, a period of trial and error begins. Factors affecting implementation include the kind of communications between those responsible for implementation, the kind of actions taken to ensure that goals are met, the types of agencies responsible for follow through, and general political, economic, and social conditions.

The final aspect of the redevelopment process in Columbus, is one in which the authoritative statements of intention made by the government for dealing with perceived problems represent clear and well defined goals. Most governments act on matters that are widely viewed as problems and as proper subjects for action. Next, they attempt to be prompt, efficient, and effective. Finally, they show respect and fairness and use fair, open, and efficient procedures.

But the stages of the policy process đo necessarily mesh easily in a smooth, inexorable sequence of A variety of factors may limit attainment of desired steps. flawed implementation. policy impacts. These inc lude unclear goals, inadequate resources, the lengthy time period that is required to achieve measurable impacts, and the presence of factors beyond the control of implementers that can affect impact. The policy process is continuous and complex.

## Pluralism in American Politics

The goal expressed above is to reveal the New Redevelopment Phase as a response to community problems. This study extends beyond that. A second aim is to assess the validity and usefulness of a policy-making theory used by government officials and political scientists to explain and justify policy processes in the United States since the late 1950s and early 1960s. The sources of pluralism, too numerous to mention in their entirety include Edward C. Banfield, Political Influence (Glencoe, Ill: Free Press, 1961); Robert A. Dahl, Who Governs? (New Haven: Yale University Press, 1961); and Nelson W. Polsby, Community Power and Political Theory (New Haven: Yale University Press, 1963).

A good explanation of pluralism as the operating principle of American government is found in Clarence N. Stone, Robert K. Whelan, and William J. Murin, <u>Urban Policy and Politics: In a Bureaucratic Age</u> (Englewood Cliffs: Prentice Hall, 1979), chapter 13, in their analysis of policy making. This chapter summarizes the assumptions, techniques of practice and the weakness of pluralism as a theoretical model.

The authors point out that the theory of group politics popularized by Banfield, Dahl, Polsby and others, is accorded doctrinaire status by its proponents. To many it

has become a public philosophy of American government.

Pluralist theory contains six basic principles:

- 1. All major segments of the community are united by a common consensus on the basic features of the political, social, and economic order.
- 2. Public officials, who are the most important community leaders, engage in an unending effort to maximize their popular support.
- 3. Politically important resources are widely distributed.
- 4. There is "slack in the political system that can be taken up by dissatisfied groups when they believe an important issue is at stake.
- 5. Influence is specialized, with each group having the greatest impact on those decisions relevant to its most highly valued interests.
- 6. Policy decisions follow the maxim of "mutual accommodations"-that is, decisions tend to accommodate those groups most directly affected by the particular decisions, and in cases of conflict, decisions are based on compromises between contending groups.

In challenging the main lines of pluralist theory, the authors offer several basic tenets of a revisionist theory that has begun to take shape. These include:

- 1. Official decision makers are not held tightly accountable by their constituents.
- 2. Political structures have consistent biases, and official decision makers are not neutral resolvers of interest group conflict (that is, they may be advocates rather than brokers.)
- 3. Political resources are distributed in a highly unequal way, so that some groups are able to work in close collaboration with decision makers while other groups enjoy no such favored position.

- 4. Mobilizing slack resources, especially to maintain pressure over time, is a difficult process, and disadvanted groups seldom achieve more than token victories of temporary duration.
- 5. Though often made incrementally, policy tends to have a cumulative bias-particularly in favor of those groups that enjoy close associations with official decision makers.

The authors challenge the utility of pluralism as a normative model of policy development in ou r urban Pluralism, for had communities. example no ready explanations for the turmoil sweeping through our urban communities when the 1960s laid bare the problems of race and poverty. These critics argue that even though no one group exercises complete control and patterns of influence do change, powerful groups are able to entrench themselves in such a way to pertuate a favorable position. And as a consequence "Powerful interests could use their resources to modify or reinforce certain values, beliefs, and procedures, and in that way keep some issues off the decision-making agenda."

While the authors deny that anyone is all-powerful, they argue that some groups gain and others lose by reason of significant, substantial, and persistent imbalances of power. They present arguments to show that public officials operate with significant latitude - a view that pluralists basically agree with. But unlike the pluralists believe, they contend officials are free to, and do, in fact,

associate themselves much more closely with the interests of some groups than with the interest of others. Factors which limit the accountability of officials to citizens are the consensus that prevails among American citizens is generalized that any of a large number of disparate actions could be justified as being in accord with its precepts, the scarcity of reliable and complete information, and the electoral process itself. According to the latter it is argued competitive elections are not a quarantee of balanced representation. As policy making has become more complex, the means of achieving representation have not developed accordingly. This slippage in accountability to the voter they serious matter view as a bec au se it permits officeholders to play a role other than that of broker or central arbiter. Specific variables abetting slippage are procedures, prevailing norms and recruitment processes, and decision-making structures and practices. These result in some groups having more say in local government than others. As a consequence once in such a position,

groups use their resources not only to influence the outcomes of specific decisions but also to shape the processes through which decisions are made. A favorable position in the governmental process-that is, a system bias-becomes a resource that can be used to influence decisions and perpetuate bias. The most telling influence, after all, is not the ability to bring pressure on a given decision but rather the ability to move

into close alliance with public officials and become an associate in forming and overseeing public policy.

The point of importance to the authors isn't whether most or only a few groups have political resources since most groups do. But they continue few groups have sufficient influence to open and continual access to the top level, official decision makers. For example, business most commonly, although not exclusively, usually has this kind of special leverage to consistently exert extraordinary influence on a fairly wide range of issues. Other groups such as the poor, minorities, and nonaffluent neighborhoods tend to operate from a position of political disadvantage and seldom have a lasting influence on policy.

While business may not be a large voting bloc, the authors point to a number of incentives and array of resources business can bring to bear on local government: business is a major source of campaign funds; business is well organized to recruit candidates, generate issues, and wage a campaign; business leaders have good access to the news media. However, they also note "the tangible political resources of business seem less important than an intangible community of interest local officials frequently fell with business." This intangible community of interest is measured as follows: keeping up the tax base; protecting property values, especially in commercial districts; promoting

economic growth; creating a favorable climate for business activity; and debt servicing, private investment, direct participation in large-scale development redevelopment project which require active business involvement. These activities array and result in tendency for officials to bring business into formulating, legitimating, and implementing major projects in the new urban redevelopment phase. Local government officials, they continue, are also handicapped by a lack of prestige. compensate for the lack of civic legitimacv of actions of local government, city politicians tend to consult major business figures and recruit them for advisory committees and boards. Business influence, it is argued, "comes not so the capacity of business to overwhelm or much from intimidate all opposition as from its power to meet strongly felt needs of public officials."

The authors, by pointing to a number of obstacles that may confront groups attempting to mobilize slack resources for political purposes, arque that among the nonaffluent, feelings of powerlessness may be especially pronounced. In short, nonaffluent people are unaccustomed to making an imprint on the affairs of the wider community, since they live within a tradition of subordination, are hard to organize, have few resources, no tradition of political action, depend heavily on the efforts and energies

of a few leaders. In addition they seldom have a systematic method of recruiting new leaders. People will make an organized if the threat is great enough, since fear of large-scale clearance and disruption arouses considerable anxiety and can provoke collective action. But once such a threat subsides or defeat is imminent, participation declines.

In summary, the authors argue it is not easy to mobilize slack resources and bring about collective action and sustain it in a lower socio-economic status population. Neighborhood disruption may produce ad hoc responses, but such responses do not shape policy, often having a temporary, dilatory effect instead. This is not creating policy. For as they note

To have an impact on the overall direction of something as complex as development policy, a fundamental requirement is to exert influence over a long period of time. Business is often able to do this. Poor, minority, and neighborhood groups seldom do.

The authors arque there is little evidence to show that these groups have substantial influence. Have not groups have sometimes used protest. To influence public officials, these groups need (1) active supporters among the aggrieved group, (2) new media coverage, (3) allies with money, supplies, legal talent, planning expertise, and other skills and resources, and (4) a sympathetic mass audience

expressing the kind of indignation that will pressure officials into acting. Protest however is seldom successful. Since officials are by no means passive targets of pressure - "they can and do manipulate their responses for maximum public relations effect." Moreover "Concessions to vocal minorities, according to these arguments are limited not only by the counterpressures of majorities but also by the attitudes and predispositions of leaders themselves."

In their final assessment, Stone, Whelan and Murin is exerted conclude "community-level influence successfully by those groups that have multiple resources and few liabilities." Along that line "some groups gain and others lose by reason of significant, substantial, and persistent imbalances of power." This is because public officials operate with significant latitude and are free to, and do, in fact associate themselves much more closely with the interests of some groups than with the interests of others. Also elections are imperfect channels of influence and do not quarantee power to a concerned or dissatisfied quarantee balanced representation. As group nor consequence of these circumstances "as policy making has become more complex, means of achieving representation have not developed accordingly." And denerally, local governments are conducive to a probusiness, antipoor hias.

important ways the concern expressed by Stone, Whelan, and Murin for the viability of American policy-making processes and their critique of the pluralist model find expression in this study of redevelopment policies in Columbus. The authors have turned to a growing body of literature that provides a more satisfactory explanation for the place of groups and social strata in a community's politics. 15 While they don't suscribe to the view that a group's place in the structure of influence is determined by its economic position, they do think noteworthy that revenue production and economic growth are ever-present concerns of local officials. concerns that predispose officials to have a probusiness bias. While officials in declining communities are

<sup>15</sup> Additional insights can be gleaned from some critiques of pluralism. See Peter Bachrach, The Theory of Democratic Elitism: A Critique (Boston: Little, Brown, 1967): Thomas R. Dye and L. Harmon Zeigler, The Irony of Democracy (Belmont, Calif.: Wadsworth, 1970); Peter Bachrach and Morton S. Baratz, Power and Poverty: Theory and Practice (New York: Oxford, 1970); Jewell Bulush and Stephen M. David, eds., Race and Politics in New York City (New York: Praeqer, 1971): Stephen M. David and Paul E. Peterson, eds., Urban Politics and Public Policy: The City in Crisis (New York: Praeqer, 1973); J. David Greenstone and Paul E. Peterson, Race and Authority in Urban Politics: Community Participation and the War on Poverty (New York: Sage, 1973); Henry Kariel, The Decline of American Pluralism (Stanford: Stanford, 1961); Grant McConnel, Private Property and American Democracy (New York: Knoof, 1966); and various selections contained in William E. Connolly, ed., The Bias of Pluralism (New York: Atherton, 1969).

concerned about holding onto the businesses they have, those in growing cities are concerned about attracting new businesses. In either case, they are eager to maintain a favorable climate for business, they appear more inclined to cut business taxes than to raise them. Whereas the pluralist conclude that official leaders and the citizenry govern together, each restraining and influencing the other, Stone, Whelan, and Murin suggest, as do the results of downtown policy developments in Columbus in the 1970s that official leaders and select groups govern together — sometimes in uneasy alliance but more often in fairly close and comfortable association.

The development of downtown redevelopment policy is the primary focus of this research. It seeks to identify the events and activities which led to the incentives to develop the Ohio Center and to analyze their importance for the outcome of the urban redevelopment policy process in Columbus. Also, given that Stone, Whelan, and Murin arque that often policy shows a cumulative bias favorable to those groups that are well positioned, the final chapter attempts to reveal some of the cumulative effects of urban redevelopment policy in Columbus during the 1970 decade.

### Methodology

An eclectic approach was used in this study combining traditional and behavioral research techniques. Since the

study covered a broad range of events and activities in the project over approximately a ten year period, flexibility and a willingness to experiment with various sources of data was essential.

The data for this dissertation was derived from newspapers, periodicals, various reports and documents from public and private organizations, and personal interviews. Newspapers and these various document served as invaluable chronicles of events for the period under investigation. They were especially helpful in aiding the researcher to accurately record the events that have occurred over the years. For what was found was no actor or combination of actors recalled with complete accuracy the events of past vears, especially when he/she may have participated sometimes in a limited or brief fashion. Major newspapers used in the study are all on microfilm at the Columbus Public Library and the Ohio Historical Society. State University School of Journalism's library also provided a valuable resource repository for some relevant periodicals.

As mentioned, personal interviews served as a major source of information. And while suffering mainly from cost in money and time, and interviewer bias, they can and did contribute, importantly to the research. First, and as I found, some interviews were very lengthy, lasting sometimes

interviewed. But, in addition, interviews enabled the writer to cross-check information obtained from other sources to increase the report's validity. Also, the interview method allowed the writer to probe for further information on underlying details.

In short this researcher found the interviewing phase of this research the most enjoyable aspect of the enterprise: the method was useful in that it was a flexible means of obtaining data, the identity of the respondent was known, nonresponses were generally low, and the distribution of the sample was controllable in many respects. A purposive "snowball," "cobweb," or "chain referral" nonrandom sampling technique was used to identify the sample.

Three questionnaires were designed to accomplish the research (Appendices A, B, C). The nature of the design was to include participants, close observers of the process and non-participants as well in order to obtain as <u>varied</u> a collection of groups and individuals as possible. Interviews were conducted between January and May of 1979, a period which preceded the City's primary elections (This period was selected out of necessity, not by design). Briefly the personal interview research was carried out as follows:

- 1. Five persons in the community were selected to initiate the chain referral technique, pretest the original questionnaire (to eliminate confusion on the part of respondents about what questions/categories meant and to revise the questionnaire), and generate a list of experts. The five people selected were presumed to be generally representative of the community and to have some knowledge of the affairs by virtue of their positions. They included the following:
- a. <u>Political Party Official</u>. A high ranking party official was selected on the basis of his presumed knowledge and involvement in city electoral politics, knowledge of the issues, and party involvement in the distribution of rewards.
- b. <u>Public Official</u>. The individual selected occupied a relatively high position in the city bureaucracy and had considerable experience in city government prior to his present position in the city's personnel system. As major participants in the city's political life, members of the bureaucracy have a special position in the political process. They initiate small and great proposals for the formal signatures of officials, and in carrying out these and other policies and decisions they ordinarily possess

great discretionary power. Their agreement is usually essential to the goals of other major participants that require governmental action.

- c. Federal Judge. This individual was selected because judges occupy the posture of impartial referees, and insofar as tenure may be a factor in the capacity of officials to ignore pressures from sources, the federal judges are in the strongest position; they stay on while elected officials, and many appointed ones, come and go.
- d. <u>City Businessman</u>. A high ranking official in the private sector was selected as the fourth initial participant. This individual had previously been a city official, was widely known in the community, and was capable of providing valuable insight from experiences in both the public and private sectors.
- e. President, Nongovernmental Civic Group. official from this organization was selected because it was presumed the group represented a wide range of citizen many communities this organization had interests. In previously been observed to have a record of continual formulation of political intervention in the and governmental decisions and would thereby be likely to have a greater impact on a larger number of governmental decisions than any single group in the city.

Basically, then, these people were presumed to be generally representative of the community and to have some knowledge of public affairs by virtue of their positions and roles. As the research progressed, though, the Public Official and the City Businessman scored highest on both points as concerns this project—a fact not meant to be derogatory toward the other participants.

- 2. The experts generated from the early phase of research, were interviewed to provide detailed information as well as to identify other experts, influentials, and other organizations involved or noninvolved in the political process. In general, the experts were asked to discuss the history and response to urban redevelopment in Columbus, discuss and explain various aspects of the decision-making process associated with the project, and suggest significant trends.
- 3. The third phase of the interview schedule required interviewing influentials (identified on the basis of knowledge, reputation, and involvement in the decision process), who had participated in the process as well as leaders of various community organizations (identified on the basis of questions asked to earlier respondents concerning which organizations were <u>involved</u> and <u>not involved</u> in the process). They were asked to discuss and explain the history of urban redevelopment in Columbus, the

nature of their involvement/noninvolvement in the process, the involvement of others, specific issues and problem areas, and to project significant trends. To secure the participation of influentials, a letter was sent to each prospective interviewee requesting consent and appointment for an interview. To secure participation by community organization leaders, phone calls were made for appointments, and nearly all consented to be interviewed.

While some persons could not participate because of the pressing demands of busy schedules and time constraints, a total of 68 were interviewed. The average length of each interview was 90 minutes, the shortest 45 minutes, and the longest 4 hours. A tape recorder was used in each interview session to insure data accuracy for later description and analysis. Respondents were quaranteed that their anonymity would be protected, and insured that in no way would they be associated with comments made in the study. Because of the commitment to protect the identity of the participants, then, major sources of information will not be revealed in the case description.

All in all, the field research was an exciting new adventure for the writer into the "real" world of politics. Few major problems were experienced other than those encountered by most novices on their first venture—one never really knows how to do research until one does it.

Like the city political leader who must concert activity for influence, a dissertation writer must gather and come to grips with an enormous amount of data.

#### Chapter One

# COMMUNITY REDEVELOPMENT IN COLUMBUS: THE REGIONAL CENTER

immense aggregations of capital outrun the imagination in the magnitude of their undertaking...

Anon

## Redevelopment Activity 1971-78

In Columbus in 1979, the cadence was that of development activity, and with the rapid march of the last 10 years it was expected to continue or quicken during the 1980s. Significant development of Downtown Columbus according to Columbus' Department of Development, began with the 1970s and has produced a downtown development program as a partnership of government, business, and the citizenry. At this writing, the program had realized between 1970-78 over \$585 million in public/private investment with an overall total of at least one billion dollars projected through 1984 (\$392 million to be invested in the downtown between 1978 and 1984, with \$209 million of that targeted for the Capital Square South redevelopment Project).

Columbus Dispatch, 25 June 1978, and City of Columbus, Department of Development, Downtown Columbus (June 1978). The statistics and facts on the next several pages come from this newspaper and public document.

Although the figures look impressive, they should tempered by the fact that the dollar's value had decreased over the last 10 years. The construction cost index for February 1978 for example, showed that the 1979 dollar bought only 40 percent of what it would buy in 1967. Despite the inflation and regardless of how exact the figures are, however, the investment in and vitality of the Downtown are vigorous. By comparison, between 1960 and 1970, a total of \$145 million was invested in the citv's 150-acre central business district (TABLE 1), including facilities for Rural Farm Insurance, Huntington Bank Complex, Columbus Center, Midland Insurance, and several State Office Buildings. Forty-three million dollars of this investment were associated with the Market Mohawk Urban Renewal Project. This project produced facilities for Galbreath Mortgage, Grevhound Lines, Grant Hospital, Franklin University, and several apartment complexes.

Between 1971-78, however in an astounding period of investment development, and in a period of national construction declines, \$585 million dollars of development took place in a period concurrent with the present city administration (TABLE 2). New buildings arising have included Borden's National Headquarters, the new Federal Office Building, Motorists Mutual, the State Office Tower, the Banc Ohio Plaza and Galleria complex, the Franklin

TABLE 1

OLDSTORS DOUBLESSED (APLIEN) INVESTMENTS
1961 1970

		, 401	1-//1				
CATEGURY	WITHITY:	IMPLEMENTATI.	SE FUNDING PRIVATE	SOURCES	STATE	FYDERAL	APPROXIMATE INVESTMENT TOTALS
Market/Mohawk	LAND ACQUISITION, CLEARANCE &						
Urban Renewal Project	RELOCATION PUBLIC IMPROVEMENTS	1967-64 1962-66	5.20	\$2.46M 1.62		57. <b>86M</b>	\$10.52M 1.62
	OFFICE 1. Credit Bureau of Columbus	1964-65	. 54				. 54
	2. Columbus Soard of Realtors	1966-67	. 44				. 44
	1. Town/Sixth Corporation	1966-67	. 45				. 45
	4. Lawvers Title Insurance Co.	196667	. 40				. 40
	5. Columbus Tuberculosis Society	1966-67	. 18				. 18
	6. MEDCO	1966-67	.53				. 53
	7. Tully 6 Hobbs	1269-69	.51				51
	8. Office Development, Inc.	1 <del>968-</del> 69	. 52°				52
	9. Public Employees Recire-	• • • • • • •	2.10				2.10
	ment System 10. John Hancock Insurance Co.	1968-69 1964	2.10 .87				.87
	11. Market Mohawk Center Co.	1969-70	.64				. 64
	12. C. V. Perry	1969-70	. 38				38
	13. Citizens Financial Corp.	1969-70	. 68				. 68
	14. CMEF Credit Union	1969-70	. 35				. 35 1.89
	15. Galbreath Mortgage Co.	1970-71	1.89				1.07
	16. Gilbert Shoe Co	1966-07	.49				.49
	17. A & P Store	1966 17	. 37				. 17
	18. Gulf Oil Company	1967	. 22				, ,
	19. Greyhound Lines forminal	1469-69	2.26				2.26
	INSTITUTIONAL 20. Triaits Lutheran Church	1965-60	. 27				27
	21. Grant Hospital School of	••••					
	Nursing	1. 110 7 -1.5	3. 37				3. 57
	22. Columbus Fire Station 23. Grant Hospital South	1967-68 1967-68	. 99	. 37			. 37 . 99
	24. St. Joseph's Church &	(	.,,				•••
	School	1967 48	.40				. 411
	25. Franklin Universit:	1968-69	1.90				1.90
	RESIDENTIAL 26. Holiday Inn	1964-61	2.20				2.20
	27. Towns Square Apartments	1965 66	.21				.21
	28. Nezereth Tower Apartments	PA 8AP1	2.60				2.60
	29. Jayose Arms Apartments PARKING	1470-71	3.70				3,70
	30. Central Presbyterian Church 31. National Graphics	1965 1967	.02				. 02 10
	32. Grant Hospital Garage		. •				
	Complex	1468-59	1 30				1, 10
Public Improvements	33. Avenue of the Flags	1967	\$31.08M	\$4.4511 3.60M	13	57 5 <b>6M</b>	54 1. 39M 5.60
IMPLOVEMENTS	J. Avenue D. Che I tags			J. (			\$.60M
New	34. Sheracon Hotel	1961-62	53.600				53.60M
Facility	35. Christopher Inn	1961 62	3.40				1, 40
Construction	36. State House Underground	1963-64			5.60		5.60
	37. Ohio Transportation Dept	1961-64			5.30		5.30
	38. Ohio Employment Services	1963-64			4.40		4.80
	39. Rural Farm Insurance Co	1963-64	15.00				15.00 18.50
	40. Columbus Center 41. Huntington Trust ( mplex	1761 6. [466 65	18.30 11.50				11.50
	42. Ohio Federal Savings & Loan	1964-65	71				. 71
	43. Ohio Educational Assoc.	1964 65	1.60				1.60
	44. CTI - Rhodes Hall	1964			٠,		57
	45. Jack Schmidt Oldsmobile	1968-69	40 7 50				4() 1,59
	46. Hidland Insurance Complex 47. Lum's Restaurant	1969 71	25				. 2 4
	Line & Warentenit		\$62 464	a	317.271	-11	\$79.731
Pacility	48. Nationwide Office Complex	1964 65	\$7 50H1				\$7.504
Remover Lon/	49. Buckeve Federal Savings 5	.044 7	1.25				1 25
Expansion	Loan 50. LeVeque Tower	1965-7 1966-64	2.00				5 00
	51. CTI - Eibling Hall	1948			2.78		2 78
	52. CTI - Administration Bldg	[96]			58	#.x	, 5A
	53. Internal Revenue Survice 54. Union Department Store	1968 1968	50			5:)	<b>50</b> .50
	55. Neil House Motor Hotel	1964	2.30				2.00
	56. Ohio Theatre	1964	2.80				2.80
	57 Svers-Hertz Garage	1970	50				. 50
	58. Waterworks Restaurant	1970-71	10		53.360		.10 \$20.51M
		1 1 - 7 1	\$16.75H \$110.10M	. 5.	53 - 3611 52 % 53d	, H 16H	144.23
		•	-				MILLION

SOURCE: City of Columbus, Department of Tevelopment, <u>Doent you tolombus</u> and 1935 of Tigares are in mailtime of doilars for year that implementation was fortished.

TABLE 2

COLUMNIC DESCRIPACION DE CAR L'AVESTIENTS

CATEGORY	,totivity	IMPLIMENTATION SCHEDULE	FUND FING PRIVATE		COUNTY	STATE	Federal	APPROXES LINVESTME TOTALS	
4									
Public	t, Town/Main One Hav Pair Conversion	1972		. 20				.00	
[mprovements	2. Riverfront Ampitheatre	1973-74		. 33			. 26	. 5 <del>9</del>	
	3. Riverfront Sikeway	1973-74		.09				.09	
	4. Mound Street Bridge							. 10	
	Reconstruction	1973-75		. 10				.10	
	5. Downtown Traffic Management System	1971-75		1,00		. 55	1.15	2.70	
	6. Broad Street Trees	1974		.03			.01	.06	
	7, Hound/Sandusky							12.00	
	Interchange	1974-76		.85		, 85	15.30	17.00	
	R. Civic Center/Second	1975		. 55				. 35	
	Connector  9. Bicentennial Riverfront	1972		. , ,				. •	
	Park	1975-76	. 5-3	.1.0			1.10	1.50	
	10. Franklin Commons	1975-76			. 50			. 30 . 65	
	11. Front/Harconi Connector	1976-77		.15			. 23	.23	
	12. Capitol Square Lighting 13. Downtown South Lighting	19 <b>76-</b> 77 1977					.04	.04	
	14. Arch Park	1978-74	. 20				. 95	. 15	
			5.50%	\$3,409	3.50%	\$1.45%	\$18.16		424. L1
foint	MARKET MOHANK U.R. PROJECT								
Develorment	15. Fourth/Nound Ltd. Office Building	1971-70	3.46					3.46	
Projects	16. IBM Office Complex	1971-73	*.40					7.40	
	17. Market Mohawk Medical								
	Center	14/2	1 16					1.16	
	18. Blue Cross Headquarters 19. Americans Apartments	1973-74	4.17					4.17	
	20, Galbreath Memorial Park	1077	( )					.05	
	21. Salvation Army	1971-78	2.00					2.00	C12 23W
			512.234						\$22.23M
	HIGH NAGHTEN AREA 22. Unitionwide Plaza Complex 23. Ohio Center	1074~78	77.5)					27.50	
	A. Land Acquisition Clearance & Referation	1974-79	1.10	2.85				7.95	
	B. Infrastructure	1977-78	3.60	4,00				7.60	
	C. Convention Activity	•							
	Center	1078-81	14. 10					34.30 15.50	
	D. Galbreath Hotel	1979-81	35 50				18.60	15.60	
	24. Federal Office domains 25. Saghten Blvd/High Street	(4) (-)					• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •	
	Viaduct	1977-80		12.10				12.	
	16. North Portal Park							. 90	
	Land Acquisition	1077	3131 765	, 30 32 j. 639			sts.60"		S103.95"
	STATE OFFICE TOWER SLOWF			•					
	27. Lynn Pearl Moll								
	(City of Columbus)	1977-79	1.3			.12	:	.60	
	29. Commercial Penovation	1271 - 18	4.47					4.9~	
	(19 Projects)		34.971			1.125	5.380		55.47M
	29. CAPITOL SOUTH		·						
	A. Land Acquisition	1977-		T#190				18.90	
	B. Clearance and	1019 10	1.35				.72	2.37	
	Relocation	1978-79 197 <b>9-</b> 80	()	.60			1.10	4.70	
	C. Urban Center	. 710		318. n011			5. 4.		925.271
facilit"	30. Motorists Mutual							1. 00	
Construction	office Complex	1971-71	15.10		19.30			1 <b>5</b> .00 ادر 10	
	31. County Hall of Justice	1971-73			(7,3%			. / . 5.4	
	- 31. GTT Educational Resources Center	1971-73				1 43		1.45	
	J). State Office Tower								
	Complex	1971-74				95.00		85. TO	
	34. Franklin University	1971-78	1.10					1.30	
	Parking 35. Ohio Bell Complex	1472-75	43, 76					-1.79	
	16. County License Barem	1972-11			.14			. 14	
	37. Borden Office Bidg.	1971-14	10 10					30 10	
	8. Canteol Plaza Carking	1973-14	4, 3"					5.51	
	Complex	10/1- 4	٠, ٢					** **	

TABLE 2

			IMPLEMENTATION	FUND: NG	SOURCES				Approximate Investment
CATEGORY	ACT	IVITY	SCHEDULE	PRIVATE		COUNTY	STATE	Federal.	
	39 .	Columbus College of	1072-75	2.00					2.00
	40%	Art and Design CTI Health and	1973-75	2.00					
		Academic Building	1973-75				4.07		
		Central Savings & Loan	1974-75	1.80		3.60			1.80 3.60
		County Services Bldg. BancOhio Plaza &	1974-75			3.60			3.00
		Galleria Complex	1974-76	25.00					25.00
		Buckeye Federal Parking Garage	1975-76	4.10					4.10
	45.	CTI Business &	1975-77				3.40		3.40
	46.	Automotive Bldg. Jack Schmidt Bodyshop	1976-77	. 40			3.44		.40
		Columbus Motor Car Sales	1977	. 25					. 25
	48.	Electric Company Parking							
	40	Garage Complex	1977~78 1977~78	3.50	19.55	3.45			3.50 2 <b>3.</b> 00
		Municipal Courthouse Casto Organization	1911-10		19.33	3.43			23.00
	,	Office Building	1978	2.00					2.00
	51.	County Parking Garage							
		6 Walkway	1978-79			6.90			6.00
	34.	Columbus Schools Food Service	1978~79		1.60				1.60
	53.	Grant Hospital			••••				
		Parking Garage	1978-79	3.20					3.40
	54.	Russell Corporation	1078 70						1.00
		Office Building	L97879	1.00	\$20.15M	423 534	593.92M		\$279.059
Facility	55.	Federal Courthouse	1971-74	7171.73	. 427.230	723.74.	<b>7.3.76</b> 1.	2.50	2.50
Renovation		Seneca Towers	1972	t . 50					1.50
Expansion	57.	Columbus Gift Mart	1972-74	3.00					3.00
		Columbus Art Gallery	1972-74	2.50					2.50
		Grant Hospital South Addition	1973-74	3.40					3.40
	<b>6</b> 0.	Center of Science & Industry	1973-74	1.20					1.20
	61.	Yerke Mortgage Company	1973-74	.40					.40
		Marconi Building	1077-75	4.50					4.50
	63.	Suckeye Federal Savings							
	64.	6 Loan Columbus Mutual Life	1974	1.00					1.00
		Insurance State Automobile	1974	1.20					1.20
	·· ).	Mutual Insurance	1974 - 18	1.70					1.70
	66.	Southern Hotel	1974-75	. 28					. 24
	67.	Vorys, Sater, Sevmour							
		& Pease, Attorneys	1975	. 50		.94			.50 .94
		County Annex Columbus Institute for	1975-76			.74			. 7 4
		Contemporary Arts	1976	. 21					. 21
	70.	Arsenal Cultural Arts							
	••	Center	1976-78	10	. 30			1.44	1.74
		Holiday Inn Marconi Office Building	1977 1977-78	.80	4.00				80 4.00
		Y.M.C.A.	1977-78	.40	4.00			.02	.42
	74.	Beacon Building	1978 - 7"		2.20				2.20
		Wvandorte Office Bldg.	1978-79	i.80					L. RO
		Metropolitan School	197	- 60					. 60
		Muntington Market Exchange Bank	1978	. 35					, 15
	79.	Kelton Properties	1077 07	, 4					4.1
	79.	Rehabilitation State Teachers	1977 82	.43					.43
	80	Retirement System	1978-79	. 65					. 65
	711.	Bicentennial Riverfront Park Stens	1978-79		.18				. ] 9
				\$23.025	16.68M	\$.94M		\$7.96M	534.6211
			1971-78	5345.822	\$72.484	\$24.971	595.49M	545. SOM	5584.46
					· ·				MITTION

SOURCE: City of Columbus, Department of Development, Downtown Columbus (June 1978), p. 13.

County Hall of Justice, the Nationwide Plaza, and the Municipal Courthouse. At the same time public parks and facilities have received comprehensive development. These included Bicentennial Park, Riverfront Amphitheatre and bikeways, Franklin Commons, and the new Naghten Boulevard.

Known investment dollars projected from 1979 until 1999 include another \$394 million (TABLE 3). These monies are planned for access to the Downtown, Chio Center and the Capitol South project, an Urban Activity Center planned for the south of Capitol Square. One of the keys in Columbus' growth is private investment For example, principal financial institutions have stayed Downtown and expanded. addition, several corporate headquarters have been constructed by Nationwide Insurance, Borden, Motorists Mutual Insurance, Ohio Bell, and Ohio National Bank. An excellent transportation network, greater availability of employees, and an enhanced corporate image have been cited as reasons for building Downtown. A measure of the private sector's commitment can be seen in the \$342 million dollar private investment in expansion, renovation, construction during the 1970s (MABLES 4 and 5).

To coordinate major redevelopment and to sour additional projects, the City of Columbus began its Downtown Redevelopment Program in the early 1970s when a series of Action Projects were designed to bring together public and

CATEGORY	CTIVITY	PROPOSED TIMING	FUNDING 30 PRIVATE	OURCES CITY	STATE	FEDFRAL	APPROXIMATE DIVESTMENT TOTALS
Publi-	1. North Portal Park & Walkways	1979-80		4.00			4.00
Improvements	2. I-670/Innerbelt Upgrading	1979-30		.15	.13	2.70	4.00
	3. Sroad Street Improvements	1980		1.90			1.00
	4. I-670 & Busway Connectors	1980-83		2.25	2.25	41.50	46.00
	5. Riverfront Development	1980-85					
	6. State Street Improvements	1980-95					
	7. Gav Street Improvements	1980-95					
	3. Riverfront Esplanade	[445-47					
	9. Civic Center Straightening	1985-90					
	10. Mound Street Improvements	1485-90					
	11. I-71/I-70 Interchange						
	Improvements	1985-95					
	12. Town/Main One Way Extension 13. Grant/Washington One May	1900-05					
	Conversion	1000-05					
				37.40M	\$2.40M	\$44.20%	\$54.704
loint	14. CAPITOL SOUTS						
Develorment	<ol> <li>Utility Relocation</li> </ol>	1979-40	1.55			2.50	<b>-</b> .400
Projects	B. Urban Center Share Frame	1979-19				. 95	.95
	C. Parking Garage &						
	Connections	1979 1			25.00	5.00	30.00
	D. 400 Room Notel	1979-91	20.00				20.00
	E. Land Acquisition from City		18.90				18.00
	F. Four Mid-Rise Oftich Bldgs. G. Retail with Link to		45,00				45.00
	Lazarne	1030-83	23,00				20,00
	H. Limited Line Demartment						
	Score	1980-42	6.00				6.40
	I. Pedestrian Galleria	1280-32	5. 20				n. 10
	J. 300 Apartment Units	1990-15	9.30				3. 10
	K. HI-Tise Office Building	1340-35	40.00				40, ii)
	L. Visual & Performing Free						7.1.
	Ceater	1080-83	50				
			\$176.5000		\$25 THM	38 450	\$2.19 4.50
	15. HIGH STREET					2.30	2.40
	A. Environmental improfements	1970				2.30	2.70
	8. Capitol Square improvements			5 66			á. Cu
	C. Transfr Scriettill	1-141-45		6.00			7.111
	J. Special Mass Trinsir	1440.45					
	F. Express Bus Sides	1683 45					
	F. Related Multi-Pae	1000 .0					
	Development	1989-90		36. 709		32.80"	49.4191

TABLE 3

CATHERY	\C1	·· IVITY	PROPOSED TIMING	TUNDING S PRIVATE	SOURCES CITY	STATE	FEDERAL	APPROX ENVEST TOTALS	MINT
	16.	JEFFERSON CENTER							
		A. Public Improvements	1979-30				.04	. 04	
		B. Residential Rehabilitation	1979-35						
	19	TOWN FRANKLIN MEIGHBORHOOD					S.04H		
	47.	A. State Property Renovation	1070-42						
		B. Public Improvements	1979-8-		. 33			. 33	
		C. Residential Rehabilitation	1479-15						
					9.331				3.33M
	18.	OHIO CENTER							
		A. Multi-Use Development	1 140-60						
		B. Indoor Sports Arena 4 Parking	1981					26.22	
		C. Mass Transportation Center	1985-47					20.20	
		C: "ILBS ITEMSPORT ICTOR WERLES	1-011						\$26.22M
	19.	COLUMBUS TECHNICAL UNSTITUTE							
		A. Campus Expansion							
		Develonment	1.79 44			8.28		8.29	
		B. Washington/Mt. Vernon							
		Connector	1990-95						
		C. Area Redevelopment	1 180-30			58.2911			\$8.28M
	20	INDUSTRIAL CORRIDOR				50.253			36.28M
		A. SR-315 Connector 4/							
		Reconstructed Spring/							
		Sandusky Interchange	1983-56		6.20	6,20	49.60	62.60	
		B. Area Development	1945- 19						
					56.20M	\$6.200	\$49.601		562.673
Facility		Worlds FAIR United Redevelonment	1362-45						
Construction	22.	Corporation	1971-30						
20.000.000	7.	Ciry Civic Center	1 370 45		45.16			48.16	
	-	Rivertrunt Residential	(ON41-141)		4			40.10	
		Utre Station	1045		. 80			.80	
					948.)6.				544.960
Tacilies	-	Franklia University	1579	. 45				. 45	
Benovus Loa/		Old Post Office	10.000						
"XD484 LOR	<b>29.</b>	State House Parking/Cliften	1986 40	5.439					
				•					5.431
			02.0	₹7€, PŵC	S68, 198	141,85%	\$105.09		1391.46 MILLION

SOURCE: Siev of Columbus, Department of Oscalament, Opentium Columbus Stane 1979), p. 15.

TABLE 4

DOWNTOWN INVESTMENT BY
SOURCE, DOLLAR AMOUNT, AND PERCENT
1971 - 1978

SOURCE OF INVESTMENT	DOLLAR AMOUNT	PERCENT OF INVESTMENT
Private	\$342*	59%
City	72	13
County	25	4
State	96	16
Federal	46	8
TOTAL	\$581	100%
414:11: C #		

\*Millions of \$s

SOURCE: Adapted from City of Columbus, Department of Development, <u>Downtown Columbus</u> (June 1978), p. 17.

TABLE 5

DOWNTOWN DEVELOPMENT PROGRAM OVERVIEW

1971 - 1999

DEVELOPMENT DUACE		APPROXIMATE INVESTMENT				
DEVELOPMENT PHASE	PRIVATE	CITY	COUNTY	STATE	FEDERAL	TOTAL
Completed	249	10	15	95	40	409
Underway	93	62	9	-	5	169
Proposed	176	69	•	42	105	392
TOTAL Numbers in millions of \$s	518	141	24	137	150	970

SOURCE: Adapted from City of Columbus, Department of Development, Downtown Columbus (June 1978), p. 17.

private efforts into continuing development a infrastructure. But the genesis of current Downtown activity as a potential agenda item for government apparently occurred in the spring of 1968. 2 After months of study, representatives of three private consulting firms presented publicly a program for the continued revitalization of Downtown Columbus. In that report, the planners considered Columbus to be faced with three immediate problems: economic growth, access and mobility, and environment. As is usually the case, planners often engage in efforts to identify the correct goals of the city, determine resources available to reach these goals, and specify constraints on achieving them. To enhance economic growth, the planners recommended Columbus implement a selective rather than massive redevelopment growth policy. A large portion of the downtown section was considered sound and did not need to be replaced. The planners also felt downtown redevelopment was necessary if it was to retain its role as the focus of central Ohio. In order to compete with the environmental quality of suburban shooping centers, plans and programs must be developed to rid the downtown of pockets of blighted and deteriorated structures. To enhance

<sup>2&</sup>quot;Downtown Master Plan Presented," Columbus Business Forum (April 1968): 8, 32.

access and mobility, Downtown traffic congestion was to be relieved and internal circulation within the Downtown improved. To improve overall environmental conditions, the Scioto riverfront would be made an attractive asset, the State House's features amplified and made more visible, and pedestrian amenities such as parks and open space provided.

To improve the Downtown, ten major projects were proposed to absorb the projected demand for downtown uses between 1968 and 1975, and all would be linked to achieving strategic downtown goals. The projects and amplifying details are as follows:

- 1. <u>NEW CONVENTION CENTER</u> to be located in the area bounded by High, Town, Third, and Rich; contain 80,000 square feet of exhibit space, meeting rooms, stores; provide 1,200 parking spaces, and an 800-room hotel to front on High Street.
- 2. <u>NEW STATE OFFICE BUILDING</u> to be located near the State House to create a compact grouping of state offices. Phase one called for a single office building of about 1.4 million square feet making it larger than any existing building within the Downtown. To be located on the northwest corner of High and State Streets.

- 3. <u>ELEVATED TRANSIT LINE</u> a minimal or similar system to operate within the alley between High and Front Streets, extending from State Street on the south to Naghten Street on the north. To connect the state office complex, Lazarus' Department Store, the Fashion, and the Convention Center to a fringe parking on the north side of Downtown.
- 4. 4,000 PARKING SPACES A facility would be located in the northern fringe area or Union Station area and be constructed through public action. Half of the total could be provided by 1975 to be used primarily by city and state employees.
- 5. MULTI-LEVEL COMPLEX To be built with private funds on land now held by a few owners and largely open, the complex would include offices, stores, apartments, a motor hotel and parking. To be known as the High River development and be tied into the elevated mini-system at High Street. Also, would include a second level walkway extending from High across Front to an east-west terrace running to the river. Also, to include a below terrace level parking garage for 3,500 cars. Office and apartment towers would stimulate development of the entire northern portion of Downtown.
- 6. NEW CITY OFFICE BUILDING This structure would adjoin the present City Hall and include a plaza along the river

which would be part of a new open space system to provide a green setting for new and existing buildings.

- 7. RIVERFRONT SOUTH An urban renewal proposal, to be located on a 30-acre site west of Front Street between Rich and Mound, then deteriorated and in mixed use, which would be cleared for low-and moderate-income housing, including housing for the elderly. Nearly 1,000 dwelling units would be provided for unskilled and semi-skilled workers employed primarily in Regional Center businesses and industries.
- 8. EXPANDED COUNTY COMPLEX On south High Street, a new complex would be built to include a new Hall of Justice and new jail to adjoin the County Court House. To be located between Riverfront South, the complex would revitalize the southern part of the Regional Center as well as stabilize land values in that area.
- 9. REDEVELOPMENT OF EAST STATE STREET The area between High and Third would be entirely redeveloped, and while the Hartman and the Fashion would remain, some buildings would be replaced by two new theatres, a motor hotel, offices, retail stores, parking and entertainment uses. An overhead walkway connection was proposed to permit direct pedestrian access from the Convention Center to the new complex.

- 10. EXTENSION OF HIGH RIVER TERRACE This proposed new development called for two office towers about 12 stories high, with retail space, and parking in the area bounded by High, Spring, Front, and Chestnut Streets. To reiterate, the development strategy would be intensive rather than extensive to give the Downtown a special, unique character, with major emphasis on a compact, concentrated Downtown. Other complementing features of the proposal included
  - . effective internal transit within the CBD to reduce automobile traffice;
  - . expanded office space mainly within a compact core concentrated north of Broad and West of Front Street;
    - . intensified retail frontage along High Street;
  - . rehabilitation of brick structures for middleand low-income residential use in the southeast quadrant south of Broad Street;
  - . Upgrading the whole southeast corner of Regional Center with the completion of the Market-Mohawk Project as an impetus;
  - . stabilizing the northeast quadrant with the Columbus Art Gallerv and Columbus Technical Institute as balancing forces in an area for distribution, offices, and light industry;
  - . deferred action in the area west of the Scioto because of dollars allocated elsewhere;
  - .developing the industrial and railroad area on the northside, through private investment, into a major employment center to provide jobs for thousand;
  - . locating a regional sports arena in the potential future at the Union Station site;

. long-range goals of a mid-city airport, a space and technology park, and a complex for the 1992 World's Fair.

Thus in the spring of 1968, a master planning effort had outlined the potential and future agenda of government in the area of redevelopment policy.

But there are problems in translating master plans into reality. For one, differing groups may have competing goals which inhibit overall goal setting. As related, much of this proposed development was planned to take place in the south of the Downtown satisfying interests there. When an item is of concern to only a handful of people it is not likely to be on the governmental agenda. But most importantly, plans are not self-implementing, and planners are generally lacking in resources and power to enfore their Further, the activities that take place during plans. agenda-setting include not only the perception definition of problems, but also the mobilization of support for including problems on the agenda or changing their relative priority. A commitment among business and city officials would not come until the early 1970s.

At the beginning of the 1970s, the city had no continuous planning process, and its development department

. long-range goals of a mid-city airport, a space and technology park, and a complex for the 1992 World's Fair.

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At the beginning of the 1970s, the city had no continuous planning process, and its development department

allegedly produced proposals that did nothing but collect dust on shelves. 3 Often, the proposals were not "doable." Also little or no follow-up attention was given to those The existence of professional skills in city government relevant to these city problems was not yet on the scene. Consequently, downtown economic interests rarely took the proposals seriously. And most of the development that did occur in the Downtown area was the result of private enterprise working by itself. Business interests, paid for much of the redevelopment activity in the 1960s and had their community-centered energies quite well organized. But then, international planner Vincent Ponte was brought in to make recommendations to revitalize the core area at a cost of \$94,800.4 The 1973 study "Action Program for Downtown Columbus," done by Vincent Ponte, was the planning document around which business and city officials would later decide to make a commitment. 5

The innovative function of the Progressive reform groups has largely been taken over by the professional. For technical criteria play a far greater role than before in determining choices, and the specification of alternatives

<sup>3</sup> Columbus Dispatch, 25 June 1978.

<sup>4</sup> Columbus Citizen-Journal, 5 December 1974.

<sup>&</sup>lt;sup>5</sup> Columbus Dispatch, 25 June 1978.

is likewise a function of the technician who, often alone, knows what is possible in setting the agenda for action. Ponte, who won international repute for his planning in Montreal, fulfilled a year-long contract with Columbus in 1973. According to a city planner, Ponte, brought to the city's attention by the Chamber of Commerce, became the "rallying point" for redevelopment policy formultion. 6 With the support and stimulus of downtown business being an essential element to such decisions in the city, Ponte's success laid with his ability to gain acceptance. some new ideas and he repeated some old proposals, but he was able to command attention with his international reputation." Ponte's work, "became the master plan for the central business district (CBD) and "is still the guiding light." "His proposals set the framework and structure for the Downtown for decades...it will take 10 or 20 years to implement all of the proposals." The City Department of Development would later establish a Comprehensive Downtown Plan in 1976 to provide policy guidelines for future development.

<sup>6&</sup>lt;sub>Ibid.</sub>

Department of Development, Downtown Columbus, p. 10.

Many of Ponte's proposals were revealed in late 1974 by the city's department of development director. 8 Ponte's proposals called for

- . constructing two, four-acre, twin triangular riverfront parks Downtown on the east bank of the Scioto River as by-products of making Marconi Boulevard, Civic Center Drive, and Second Street a one-way south feeder parallel to northbound Front Street;
- . extending the one-way west status of Town Street and one-east status of Main Street east from its terminus at Fourth Street to Parson Avenue, a move which would require redesigned access ramps to and from the North Innerbelt;
- . "thoroughfare improvements" which included a proposal for a tree-lined Naghten Boulevard as a major east-west artery, converting existing Naghten Street and Mt. Vernon Avenue to a one-way pair, extending Mt. Vernon west from Fifth Street to High Street, where both thoroughfares would be extended through the Nationwide complex, along the path of Randolph Street and through the Ohio Penitentiary site to Hanover and Cozzens Streets, connecting Naghten Street at its eastern terminus to Long Street via Grant Avenue and an arc for new construction across Columbus Technical Institute property to link Mt. Vernon Avenue to Washington Street and Spring Street;
- . I-71 and Olentangy Freeway connectors to the Ohio Center area as part of a proposed I-670 connector to the airport;

<sup>8</sup> Columbus Citizen-Journal, 5 December 1974.

- .A Mound Street interchange on I-70 and relocation of Civic Center Drive;
- . a greenbelt look to Broad Street from the Scioto River east to the innerbelt, featuring a tree-lined, landscaped median;
- . "Portal Parks" as gateways to the Downtown consisting of small green areas located at the Hall of Justice complex on South High Street, Ohio Center area on North High Street, Veterans Memorial on West Broad Street, and the Columbus Gallery of Fine Arts on West Broad Street (medium range projects to be implemented between 1976-80);
- . conversion of the High Street main artery to a public transitway, pedestrian-oriented and limited to buses, taxis, and delivery trucks--limiting curb-loads to buses (1974 target date) and right-turning vehicles during rush hours and establishing the public transitway from Spring to Main Streets (1980 target date);
- . developing small "pocket parks" to surround Capitol Square to go in vacated portions of Wall Street adjacent to its State Office Tower on Broad Street, the Ohio Theatre on State Street, On Capital Street between the new Ohio National Plaza and Dispatch Printing Company on Third Street, and between the Neil House and Huntington Bank on High Street;
- . constructing a Lynn-Wall Streets elevated walkway network to carry pedestrians at second-story level through the heart of Downtown (1980 implementation target); and
  - . putting parking where it belonged.

Ponte's proposals have been evaluated as sound, rational and the kind needed for Columbus in the 1970s from the orientation of the city's development department. 9 This

<sup>9&</sup>lt;sub>Ibid.</sub>

evaluation was based on the view that Ponte's plans inspired the entire Nationwide Plaza complex, Battelle's decision to come up with an Ohio Center plan, location of a new feeteral building at Spring and High streets, and the decision of Buckeye Savings to build the Long Street parking garage. Indeed, in the summer of 1978, many of Ponte's proposals had been accomplished. 10 In the summer of 1978, the \$900,000 Bicentennial Park, the \$600,000 South Portal Park (County Plaza), the \$500,000 Marconi-Front connector streets, the \$400,000 Civic Center Drive and Second Street improvements, and a \$60,000 tree-planting along Broad Street, had been completed. The Naghten Street conversion into a boulevard and construction of a North Portal Park at High Street and Naghten Boulevard were in the beginning stages. proposals under study included High Street improvements, another riverfront park, a Broad Street median, an East Portal Park, an Olentagy Freeway connector to the convention center, and a series of walkways. Overhead walkways as parts of the Banco Ohio/Ohio National Bank Plaza, Nationwide complex, the convention center, the county compex, and Columbus Technical Institute, were built or under construction. Also a skywalk to connect the Lazarus store to the Capitol South project was planned. A point of

<sup>10</sup> Columbus Dispatch, 25 June 1978.

interest though is that the walkways being constructed were not exactly the system intended by Ponte. The Ponte suggestion to build walkways down the length of Lynn and Wall Alleys from the Lazarus store to the LeVeque-Lincoln Tower to the Borden building was scrapped because of the expense and the feeling the city shouldn't have walkways down alleys. According to planners, the public improvements suggested by Ponte plans, combined with the private sector's commitment to invest extensively in the Downtown had resulted in a public-private partnership that was a trend that should serve the city well in the future. 11 As one planner put it 12

The big orientation will be on joint development. You get economies of scale, and you have the opportunity to anchor private development with public improvements. We've learned a lot from Minneapolis and Cincinnati, where such continuous and joint planning has resulted in successful downtowns. It took Cincinnati 20 years to but all the pieces together, and it will take many years to do it here. About half of Ponte's proposals have been implemented or are being worked on, and of that 50 percent (left) we have the potential to implement about 90 percent.

Planners in Columbus today are helping articulate and specify the problems and alternative courses for CBD development. For today, the City has in place a

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

comprehensive process designed to maximize the success of activity. 13 development To support initiatives, the City, reportedly, plans and provides technical assistance, continually, to sustain the evolving public/private partnership which has been instrumental to coordinate public and private investment through joint development, multi-use projects. In the 1960s and early 1970s the evolving emphasis was primarily on construction of office structures. By 1978 large scale complexes had become the focus of development, with the Ohio Center (27 acres) and Nationwide Plaza (5 acres) known together as the High-Naghten area, and Capitol South (16 acres) at the opposite end of Downtown, including multi-use functional design.

The extensive involvement of institutions, business, and government in the revitalization of Downtown Columbus is expected to continue at a high level and steady pace over the next 15-20 years. 14 To upgrade the environmental quality of the Downtown, the Columbus Civic Center, along with a major public park, and residential units, are planned to be constructed along the Sciote riverfront; in the north sector of Downtown, another public open space, the North Portal Park, and a major boulevard will enhance the environmental

<sup>13</sup> Department of Development, Downtown Columbus, p. 10.

<sup>&</sup>lt;sup>14</sup>Ibid., p. 16.

quality for the High/Naghten Area, and expenditures for public improvements and amenities which had accelerated rapidly between 1971-78 is expected to continue through the 1980s to maintain a quality infrastructure for development.

In summary, Columbus's downtown skyline has taken on new dimensions over the past several years. 15 In August 1976, the look of Columbus was sinewy. While the rest of the country was recovering from recession, inflation, and unemployment, the situation in Columbus was steel and hardhats, rolled out blue prints, and rolled up sleeves. By Spring 1978, the Downtown was undergoing a building boom unparalled in the city's 144 years. 16 In an eight year period, there had been \$363.7 million in new building projects, \$56.8 million in expansions, and \$237.5 million planned for new projects. In the Downtown area alone, new office construction in that period added 6 million square feet of space to accommodate 20,000 more workers. A few of

<sup>15</sup> Julia Osborne, "Big for Spring: Construction,"
Columbus Monthly (April 1976): 44, 45.

<sup>16 &</sup>quot;We Don't Go Through the Troughs," Mid American Outlook (Spring 1978):9-11.

the major commercial and industrial and development projects underway in the city that were planned, underway or completed in the late 1970s, follows: 17

Anheuser-Busch - \$11.5 million expansion.

Banc Ohio National Plaza - \$25 million downtown 20-story cluster of six-connected towers, office-commercial complex, with a connecting three-story Galleria of retail shops and restaurants.

Buckeye Federal Parking Garage - \$4 million, 730 car parking garage, and a planned adjacent 21 story hotel in Downtown.

Capitol Square South - Joint public/private redevelopment project to be located in south end of Downtown. Initial plans included expansion of the historic Ohio Theatre, extension of retail facilities from the Lazarus Department Store. Site clearance projects to include plazas, a hotel, office buildings, parking and residential facilities.

<u>Columbus Technical Institute</u> - Four phased \$40 million expansion program.

County Complex - A \$23 million municipal 19-story court building, located adjacent to the Hall of Justice to

<sup>17</sup> Unless otherwise annotated, project information comes from "Profile...Columbus Ohio," (n.p.,n.d.), pp. 28, 29.

house Municipal Courts, Clerk of Courts, and police prosecuter's division of the city attorney's office.

Federal Office Building - \$18 million, 8 story, 490,000 square feet government building, included a 500-car parking garage, located in High/Naghten area.

Grange Mutual Companies - Twelve million dollar 12 story home office building near German Village in the southern portion of downtown Columbus.

<u>I-670 Freeway</u> - Proposed 5.7 mile expressway linking the Downtown to Northeastern Franklin County, estimated to cost between \$223-315 million. 18

Metal Container Corporation - Aneheuser-Busch Inc, subsidiary - \$25 million can manufacturing plan on east side of Columbus.

Mt. Vernon Plaza - Thirteen million dollar, 26-acre urban renewal project to include a modern shopping center and residential dwellings in the Black community on Columbus near east side. 19

Nationwide Plaza - \$77 million complex in High/Naghten area. Includes a 40-story skyscraper with 1.325 million square feet of office space, a 5-story pavilion covering one acre, a 400 seat octagon shaped

<sup>18</sup> Columbus Dispatch, April 1978.

<sup>19</sup> Columbus Dispatch, 22 April 1979.

auditorium connected to a pavilion, and a 1,600 car parking garage, with total investment estimated at \$180 million. Also, a Nationwide affilitate, the Nationwide Development Company, was developing a 14 block area surrounding the Nationwide Plaza building.

Ohio Center - \$75 million convention center adjacent to Nationwide Plaza.

<u>Urban Renewal</u> - Columbus initiated 12 separate urban renewal projects since 1958 funded at \$35.5 million by the federal government. The only remaining project, the Mt. Vernon Plaza Redevelopment project was dedicated by the President of the United States in 1978.

<u>Port Columbus International Airport</u> - Fifty-three million dollar airport expansion to begin in 1979 and be financed through \$55 million voter aproved bond issue. 20

As a brief diversion, at least four of these projects have sparked considerable public controversy in the planning and/or implementation process. These include the Capitol Square South Redevelopment project, the proposed I-670 freeway, the Mt. Vernon Plaza, and the Ohio Center. (The Ohio Center project will be discussed and analyzed in Part III of the dissertation). In 1972 the mayor appointed a task force to study the future of the land immediately south

<sup>20</sup> Columbus Dispatch, 2 March 1979.

of the Capitol Square. 21 Later a public development corporation was formed and City Council committed \$18 million (The company was obligated to make lease payments to the city covering all principal and interest due on municipal obligations.) to purchase land in the three block area bounded by High, State, Third, and Main Streets. Since its planning began, tenants and property owners in the area have complained about the abuse of the city's power of eminent domain and unfair compensation, while some members of Columbus' Board of Education have been concerned about the impact on school financing caused by tax abatements granted to developers in the area. 22 The project, over time, aforementioned opposition, the has in addition to experienced a lack of firm commitment from developers and cash flow problems. But with an urban activity center already underway, the John W. Galbreath Company announced in June 1979 it would develop a luxury hotel in the area at Third and State Streets. 23 And by early July 1979, the city of Columbus was planning to lend up to \$3 million to the project to help it solve its short-term cash flow problems.

Ohio State Lantern, 6 April 1978; and Herb Cook, "The Race to Revitalize Downtown," Columbus Monthly (March 1977): 36-43.

<sup>&</sup>lt;sup>22</sup> Ohio State Lantern, 7 April 1978.

<sup>23</sup> Columbus Citizen-Journal, 26 June 1979.

The I-670 project has experienced equally rancorous debate, but has not yet gotten off the ground. Transportation planning in Columbus dates back to the 1950s, and other seeds for the I-670 project were sown in the early 1970s, but in 1975, the Mid-Ohio Regional Planning Commission (MORPC) recommended that an interstate highway system be built in the Leonard Avenue area to connect Port Columbus and the Downtown. 24 Implementation of this "missing link" in the Columbus freeway system would provide better access and safer neighborhoods, create construction jobs, increase economic development, facilitate development of rapid transit, and relieve traffic loads on I-71. But on the other hand implementation of the freeway proposal would displace as many as 800 people and physically alter the immediate environment of residents. Black citizens who will experience neighborhood disruption in the area organized in opposition and participated in meetings with local, state, and federal officials. The project has been studied extensively, but city and state officials have not yet made the decision to build. Perhaps this is a nondecision. Those who will make the decision do not have

<sup>&</sup>lt;sup>24</sup>William C. Habig, "Benefits of Completing I-670 - The Missing Link in Our Freeway System" For The Transportation Committee of the Columbus Area Chamber of Commerce, Columbus, Ohio, 26 June 1978.

influence decisively the active decision makers. <sup>25</sup> Perhaps also, the decision to build was made a long time before the planners went to work. <sup>26</sup> Given that the funds are available, it might be under certain conditions that the project will go ahead and public officials will bare the heat. But perhaps it might not. A Downtown influential businessman informed the writer

there's a stigma against highway construction. It is an organized effort to keep it from going on, and I'm not sure how many more major projects that involve dislocation are going to be pulled off.

But an individual who has been described as having his hands in most redevelopment projects in the city during the 1950s and 1960s stated

Basically, there is a core group of people who don't want anything built. And they have the false conception that things are going to stay the way they are. And that won't happen. It just will not happen. Things don't stay the way they are any more.

Blacks in the community are caught on a double-edged sword: most abhor the disruptive effects the I-670 freeway will bring, but some feel it will enhance opportunity for economic development benefitting Mt. Vernon Plaza. One of those involved in the Mt. Vernon Project anticipated "bus

 $<sup>^{25}</sup>$ Bachrach and Baratz, "Two Faces of Power."

<sup>26</sup> Columbus Citizen-Journal, 6 March 1978.

loads of tourists headed to the convention center would stop off and shop at the plaza." In explanation the Mt. Vernon Plaza project is intended to serve as an economic anchor and catalyst for further development in the predominantely Black, near-east side of Columbus, which was essentially cut off by the freeway system built in the 1960s and 1970s. In order to develop Black control of business within their neighborhood through the vigorous application of public resources, Blacks established the Neighborhood Development Corporation (NDC) in November 1970 as a private, non-profit organization to spur redevelopment in the area. 27 While the project had its ups-and-downs over the years, ground was broken in April 1976 and President Carter dedicated the complex on 23 September 1978 comparing it to the Camp David accords which he had forged as a new basis for Egyptian-Israeli peace efforts. 28 In April 1979, the complex was expected to default and its developer was charged with mismanagement and conflicts of interest. 29 The citv's response was to restructure the corporation's board, and the area U.S. Department of Housing and Urban Development (HUD) office was prepared to cancel NDC's \$13.1 million mortgage

<sup>27</sup> Columbus Dispatch, 22 April 1979.

<sup>28</sup> Ibid.

<sup>29</sup> Ibid.

guarantee. <sup>30</sup> The Black community rallied behind the plaza's developers, but the future of the venture was in question. Given the interests involved and due to the nearness of the Plaza to the Downtown, it may well serve the need for an inner city commercial shopping plaza for middle-class citizens who return to reside in the central city. Rut as related to the I-670 question one of the city's Black influentials has said, concerning Mt. Vernon's success, <sup>31</sup>

I've personally been associated with that project for 20 years. I-670, if you want to be charitable, can produce a helpful linkage to the north for not only Mt. Vernon Plaza but, hopefully, St. Anthony's Hospital. But the success of neither is totally dependent upon I-670. Mt. Vernon Plaza, like any commerical undertaking, will succeed or fail, based upon what is in the facility and how it's operated.

## Coalition Building

Before digressing the emphasis was on the Downtown's success. If one were to sum at this point, however, one could attribute that success to the city's annexation strategy, its stable and healthy economy, planning policies,

<sup>30</sup> Ibid.

<sup>31&</sup>quot;How Many of You Have Ever Had to Move a Home or Business Because of Some Government Plan?" Columbus Business Forum (March 1977): 21.

and the public/private partnership. The last factor deserves further elaboration. For, while there is that "loose coalition" of interests present, the CBD has not always operated with a united front.

In January 1976, a number of business and civic leaders expressed opinions about Columbus' growth. 32 And there appeared a unanimous consensus that the city had tremendous assets. But assessments varied over the city's image, or lack of one, as projected by its assets. The men, who represented public and private development interests, voiced degrees of concern over the pattern of development in Columbus after returning from a trip to Kansas Citv. readily apparent asset of Columbus was the city's quick pace of development, which led some to view it as being on the threshhold of becoming one of America's great cities. Reasons given for such optimism included many discussed earlier in the dissertation: a diversified economy, a good annexation policy, low unemployment, Downtown development, good government, and a "high quality of life." Despite such high marks, however, some felt Columbus' assets were played down to the extent that it had a small town image despite its growth from a medium-sized city to a metropolitan area.

Columbus Dispatch, 11 January 1976; Columbus Dispatch, 25 January 1976.

As background, in October 1975 the leaders visited Kansas City to learn how that city coordinated efforts to gain itself not only national but international attention. One of several phenomena observed was that business, civic and governmental leaders in Kansas City had mapped out priorities. A predominant worry of the Columbusites was that no one could confidently point out the direction the city was taking as it grew. As a prominent member of City Council stated:

We are on the threshhold of becoming one America's great cities. the As we enter Bicentennial year, however, one is struck by the lack of community consensus as to the proper path for Columbus to take in its future development. This absence of a common consensus, which is most striking when comparing Kansas City and Columbus, is not necessarily the result of a lack of civic leadership talent in one Columbus area. or Development in Columbus remains subject to the conflicting jurisdictions of several public and private organizations.

At that time the referent organizations included the Columbus Area Chamber of Commerce (CACC), Development Committee for Greater Columbus (DCGC), Battelle Commons Co. (BCC), Mid-Ohio Regional Planning Commission (MORPC), the Columbus Department of Development, Capitol South Community Urban Redevelopment Corp (CSCURC), and Citizens Research Inc. The CACC had a 39-member Downtown Action Committee. Its role was to support public and private development in the central city. DCGC, a private, nonprofit government

study agency with more than 200 members; governed by a steering committee which assigned study projects to various task forces; with a vearly budget of about \$75,000 in mostly private donations; served principally in an advisorv capacity. Citizens Research Inc., also a nonprofit group, studied local government, had no formal powers, and was funded mostly by private donations of about \$63,000 annually. BCC had been formed with a \$36.5 million grant from Battelle Memorial Institute and was then charged with building the Columbus Convention Center. MORPC, with an annual budget of \$1.2 million conducted planning and development research and reviewed applications for federal and state grants. It was funded primarily from political subdivisions in the county and from local, county, state and federal sources. The department of development controlled growth through the enforcement of regulations covering building and zoning. CSCURC, incorporated in 1974, was authorized by the mayor and City Council to redevelop three square blocks south of the Statehouse. While each group performed worthwhile tasks and influenced development, the Councilmember argued further,

But nobody is coordinating all these elements. This fact often disperses the development of policies and projects and inhibits the public and private support necessary to carry them through. The only time you see this kind of support in Columbus is when a bond issue is on the hallet. (Otherwise) we just take things in stride here.

While several of the Columbusites reflected on the coordination problem, most favored, however, a concept of centralized direction, and called for a unified approach and the setting out of goals and objectives. Where there is inability of one organization to control the behavior of several others in urban politics, there usually will be a call for some degree of centralization. And sometimes, questions of trust lead to a politics of administration -- in this instance centralization. For as Banfield states, there must be a cooperative system of activity to get anything done. 33 In Columbus, several projects had started at this time but perhaps they were all headed in different directions. Or in other words, the broad policy agenda for redevelopment had been set and implementation was underway as 1976 began, but no consensus on goals had been reached, nor had decisions about which goals and methods to pursue been ratified by all.

Commenting on these arguments, the mayor took a position in the press later in the spring of 1976. 34 He believed that Columbus could be a better place to live and was confident that this would take place through the cooperative efforts of private enterprise, government, and

<sup>33</sup>Banfield, Political Influence.

<sup>34</sup> Columbus Dispatch, 14 March 1976.

Citing cooperation as the public. evident in the coordinated planning of Nationwide Plaza, Columbus convention center, (Ohio Center) and the federal general services building on the Downtown northern edqe, disagreed with civic observers who believed that planning in Columbus was not coordinated enough. His comments were:

I don't think we fail to coordinate efforts. you want to think of coordination as having all the ducks lined up with the same agenda, then we don't have it. The only time you have that is when you have a dictatorship. (Public or private groups in Columbus involved in civic planning have) a considerable amount of self-interest and there is nothing wrong with that. But we do have a considerable degree of coordination. planning cannot be as coordinated officials would like because you cannot coordinate opposites. A lot of people want to see Columbus grow and prosper...and others say we don't want Columbus to become a Chicago or New York. need is a slighter degree of more trust in each other (especially among private interests). There is an increasing awareness that you don't have a monopoly on your customers to do good business. This awareness will make it possible for both ends of Downtown to benefit. There is a degree of competition between the north and south but it is healthy and needed. I think it would be great to coordinate High Street from the convention center to the county complex all at the same time. there are a lot of small property owners along the way who don't want to cooperate. The American enterprise svstem hasn't thrived coordination. Ιt has thrived on competition (which doesn't have to thwart coordination).

In terms of publicity, the mayor felt the city would benefit from increased promotion because it needed to publicize the convention center. However, he believed that the CACC had been subjected to nonobjective criticism by those who believed it should be more aggressive in promoting the city:

The chamber deserves more credit than some of its detractors would give it although the chamber and the other (civic) organizations could do a better job. The chamber must be discrete when trying to attract some businesses to Columbus because word of a company's departure from a city can cause public unrest and labor problems.

The mayor concluded it was easy to become frustrated over the slow pace at which development goals are attained, saying "But progress is made by inches, not miles."

The mavor of a city assumes a variety of roles, one of them being umpire or "arbiter of conflicting interests." Where political realities make it impossible sometimes to be a strong leader, he may opt for this role. Where the mayor casts his role as one who is partial to the case of no particular interest or group but is instead a peacemaker, equally devoted to all objectives of constituents, he has no easy position: it requires painstaking familiarity with the language and strategic goals of the city's constituents; nor is it very popular -- the neutral in a situation in which discussion of the city is currently framed in the language not of moderation but of crisis. The umpire role is quite congruent with pluralist democracy, i.e., the public decision maker (mayor) acting as neutral balancing point of the forces articulated by groups and powerful individuals who pull at him. But such a pluralist may find himself uncelebrated and unre-elected. This last point wasn't aimed at the mayor of Columbus in this instance. Far from the overall tone of his statement it is clear he was at the center of policy formulation and mobilizing support for development of the entire CBD. As related, and one point that hasn't been mentioned in this chapter thus far is that the mayor came to office in 1972, a point in time conspicuously near the beginning of the multi-million dollar investment in the CBD. And despite the mayor's apparent disdain of "coordination," Robert Salisbury would argue that it was he (the mayor) who was at the peak of the coalition (however loose it was) of interests that dominated the urban scene. 35

Perhaps another organization which should have been included in the community's development organizations, but without formal power (and seeking a voice) is the Capitol Square Commission<sup>36</sup> Created in 1972, the commission's status has been described as that of a "paper tiger." As for example, in early 1977, the only principal authority the commission had was to review signs on buildings in its control area, bounded by Elm, Walnut, and Young streets and

Robert H. Salisbury, "Urban Politics: The New Convergence of Power," in <u>Perspectives on Urban Politics</u>; Jav S. Goodman, ed. (Boston: Allvn and Bacon, 1970), pp. 38-60.

<sup>36</sup> Columbus Citizen-Journal, 25 February 1977.

the Scioto River. At that time, the commission became concerned, though, about its inability as a downtown advisory group to do anything but advise property owners and businessmen and hope its recommendations were followed, since its authority wasn't binding. Expanded from five to eleven members, the group began to enhance its control by developing a new, more authoritative character. The new character developed as the commission approved plans submitted for a new front to a building on High Street just north of Broad Street. If the group had voted no, nothing would have happened. There being no variance from building or zoning regulations required, the developer was entitled to a building permit regardless of the commission's action. Had there been a negative vote, a simple "No" would have been recorded on the permit and nothing else would have happened. At issue was whether the commission should just serve in an advisory capacity or seek to regulate and coordinate development activity in Capitol Square through the ability to applyserious standards and rights of review as well as enforce provisions. As related to this problem, a group of small businessmen, property owners and residents from the south end of Downtown requested commission status from the city in January 1976. 37 The Downtown South area to

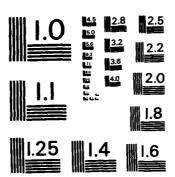
<sup>37</sup> Columbus Dispatch, 27 January 1976.

be represented, included 40 church, business and residents' organizations in the areas bounded by Town Street on the north, the Scioto River on the west, and the Innerbelt on the south and east. The Downtown South organization was an offshoot of the Main Street Merchants Association. Downtown South also included the old Market-Johawk area, which had been described as a major growth area for residential development in the Downtown area. The leader of the organization felt that, if development were properly, this area would complement the Powntown business district and the German Village residential area. commission was necessary so the interests he represented could "control --- their desciny." Interestingly a small area included in Downtown South, bounded by 3rd, Main, High, and Town Streets, was already in the Capitol Square South Commission area.

A year later in 1977, the Columbus City Council refused to commission the proposed Downtown South organization, <sup>38</sup> in a 3-3 vote with one abstention. Businessmen requesting the commission argued for the need to encourage cooperation among other businessmen in cleaning up the area, and that the proposed commission would have no power to set building standards or force compliance with

<sup>38</sup> Columbus Dispatch, 18 January 1977.

URBAN REDEVELOPMENT AND THE STRUCTURE OF POMEK. THE IMPACT OF PRIVATE INT. (U) AIR FORCE INST OF TECH WRIGHT-PATTERSON AFB OH A ANDREWS 82 AFIT/CI/NR-82-68D F/G 5/4 AD-A121 573 UNCLASSIFIED NL



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS - 1963 - A

other rules it might adopt. Council's opposition was the commission would divide the Downtown and create red tape for potential developers. A representative from the Capitol Square Commission further opposed on the grounds "the last thing the Downtown needs is a multiplicity of area commissions" and argued further, there should be just one commission for the entire Downtown area, while suggesting however, the Capitol Square Commission and Downtown South Commission could be subcommittees of the larger commission.

The Downtown South coalition continued efforts to get the city to do something about its area, when later in 1977, it criticized the city's development department and the CACC for failing to contribute to the betterment of the Downtown. 39 Of principal concern was to have the CACC establish a working relationship with the Downtown South Task Force and other organizations in the Downtown to form a joint effort for improving the area. The task force also passed a resolution urging the mayor and CDOD director to appoint two full-time staffers to enforce building, housing and environmental code provisions in the area on a year-round basis and with a dozen personnel.

In a related development, the mayor of the city expressed support of the small businessman in a speech to

Columbus Dispatch, 15 September 1977,

the annual conference of the National Council for Urban Economic Development in November 1978.40 He stated in the speech that the small businessman deserved more attention in downtown revitalization efforts. Further, that in the effort toward big urban development projects, too many cities were "quietly ignoring the real hearts" of downtown areas - the small businessmen. And their reaction might be to move to the suburbs rather than fight city officials. He argued that Downtowns have been rediscovered but that about three-fourths of the jobs available, for example, in the Capitol South area would be "entry level" jobs. These would be suitable for the young and those with few skills. Big companies, such as Borden, for example, and while not wanting them to return to New York, had not provided jobs to those who need them, even though they had helped build the city's base. The mayor made repeated references to major projects in Columbus. He concluded by urging the officials to "help make a few small strides for a few small businesses, because that's where economic development opportunity really is. " Perhaps, the point of analysis as concerns the small businessmen in the South of Downtown is that the small businessman, a seeming anachronism in our age

<sup>40</sup> Columbus Dispatch, 15 November 1978.

of mass production and mass marketing is particularly vulnerable and likely to be a spillover effect of urban redevelopment.

On the issue of coordination, though, some still encourage a centralized planning concept. And this time it was the city administration. In early 1979, a proposal was advanced to consider the possibility of creating a city-wide development corporation to help finance commercial and residential revitalization projects in Columbus. 41 One of the first urban development corporations (UDC) was created in New York in 1968 to identify and redevelop target urban areas. 42 Given \$1 billion in bonding authority, complete authority to develop a project from planning to completion, eminent domain powers and authority to override local zoning and building controls, this UDC emerged as a state enterprise beyond the control of either the local electorate local public officials. Considered to have great potential for dealing with urban housing problems in New York City, it defaulted on a bond issue in 1975. State enabling legislation in 1972 allowed Columbus to create such organizations. And although Columbus has never had a

<sup>41</sup> Columbus Dispatch, 1 March 1979.

<sup>42</sup> Joh J. Harrigan, Political Change in the Metropolis (Boston: Little, Brown and Company, 1976), pp. 323-24.

citywide development corporation, it has such development corporations. Three such entities are the CSCURC, which aims to revitalize the three square blocks south of the statehouse; BCC, builder of Ohio Center; and the Neighborhood Development Corp. (NDC), which built Mt. Vernon Plaza on the East Side.

The model examined by Columbus officials had been operating in Dayton since 1972, when the city of Dayton extended a \$3.75 million grant to the corporation. Dayton corporation had its allocations increased annually, and the money formed a revolving fund used to promote commercial, industrial, and residential revitalization projects. Run by a 28-member board of trustees, most of whom were appointed by the Davton City Commission, the Dayton UDC served principally as a short term lender for revitalization projects that would have difficulty obtaining private financing. The corporation didn't compete against private lenders or businesses and undertook projects that often entailed risks that the private sector usually didn't want. Loans issued by the corporation were for five years or less, less than \$250,000, and all projects financed also must by necessity be within the city's corporation limits. corporation finance major had helped downtown The development projects, and also purchased and rehabilitated vacant residential properties then offered them for sale and

made loans to homeowners for housing improvements. Rates of investment were comparable to market rates, and the organization depended on its investments returns to maintain operations. The feeling of the Columbus community development administrator who studied the Dayton corporation was that endless possibilities for such an organization existed in Columbus using potential federal and local funding.

As concerning promotional as well as financing prospects, several of the city leaders who took the trip to Kansas City, praised the efforts of the old Metropolitan Committee as being the last group in Columbus to aggressively promote civic improvements. 43 Pledging itself to "Insisting upon coordinated and orderly development of community-wide planning," over the years the group sponsored a series of bond issues which totaled hundreds of millions of dollars benefitting the city and county.

That the city's business sector may not be adequately organized was a major and continuing problem to other in the city. In a 1977 speech to the Rotary Club, the city's development director made several points in this regard. 44

Columbus Dispatch, 11 January 1976. Also see pp. 596 below for details on the Metropolitan Committee.

<sup>44</sup> Columbus Citizen-Journal, 2 August 1977.

He arqued that while private business was responsible for establishing and maintaining most of the downtown, only a few had carried the load. In his view, business had not been doing a good job. While praising Nationwide Plaza and the Ohio National Bank Plaza, the director criticized private owners for allowing deterioration, meeting only minimum code requirements, and not carrying out their responsibility for improvements. He also stated that while the CACC's Downtown Action Committee was a good monitor of developments, it lacked the necessary influence coordinate downtown activities. Believing business was failing to take advantage of new legislation making redeveopment attractive, he charged that private commitment to the Capitol South lagged. Finally, he suggested the private and public sectors should be working together around the clock, if necessary, to complete such developments as the I-670 freeway "before we are robbed of these opportunities by inflation and complacency." To assist owners in the area his development department would urge the formation of a downtown property owners association in association with the High Street standards study. Service clubs like the Rotary while primarily businessmen's organizations are usually not explicitly political. 45 On the

<sup>45</sup>William A. Schulze, <u>Urban and Community Politics</u>, (North Scituate: Duxbury, 1974), p. 117.

other hand, while usually politically active, it is not unusual for such organizations to be tapped for particular causes.

One of the problems which illustrates the director's concern, was the difficulty in developing the center of the Downtown, Broad and High Streets, the most intersection in Columbus according to some. 46 Particularly, on the northwest corner, sat a parking lot, formerly occupied by the Deshler hotel; on the southwest sat three small buildings; and on the northeast, a jewelry store and a restaurant -- three privately held corners -- the northwest by the Deshler heirs, the southwest by Huntington Bank, and the northeast by an attorney and a pharmacist. While some might contend that the center of town was at Third and Broad, or others Fourth and Broad, many considered it to be Broad and High Streets. Additionally some of the principals and some other people broadly concerned with the future of downtown were saying it was time for something to happen at Broad and High. In mid 1978, the Downtown High Street Task Force heard a proposal to landscape the northwest corner with a

<sup>46</sup> Herb Cook, Jr., "Broad and High: Past, Present...and a Suggestion for the Future," Columbus Monthly (August 1978): 82-94.

sunken plaza with fountains containing retail shops and restaurants. 47 A unique aspect to the proposal was that the city would extend Lynn Alley Mall under N. High Street, the theory being that private firms would be eager to develop the corner if the area were tied in with the mall. The development department began costing an estimate to extend the mall. Perhaps, more promising, though, was that in early 1979, prior to the writer's departing Columbus, the Hardy Shoe Store, the Orange Bar, and Planters Peanut Store, on the southwest owned by the Huntington National Bank were razed to make way for a small park to consist of several benches and possibly a fountain. As to the importance of Broad and High Streets, a high-ranking city planning administrator told the writer

You can never forget that initial orientation of Broad and High. And they still continue to be magnets, but of a different kind. They once were the transportation magnets, but whereas that's been removed, they still have that magnetism of nostalgia, the good address, prestige; whatever you want to call it. An orientation.

Returning to our overall point of discussion of developing a centralized effort, it is usually the case that the degree of organization in the business community is a function of the Chamber of Commerce. Where business interests aren't oganized the Chamber of Commerce is usually

<sup>47</sup> Columbus Citizen Journal, 4 July 1978.

divided. In early 1978, CACC leaders beg an discussing the whole purpose and structure organization. 48 Amid rumblings of discontent, some members of the CACC's board and executive committee began to suggest the Chamber's organization become restructured to become more aggressive. At that time the mayor's position was one of discretion. Earlier in a display of neutrality he opined that the CACC had been unfairly criticized by some officials who believed it could be more aggressive in promoting the city, 49 But on the other hand, he stated "The Chamber deserves more credit than some of its distractors would give it although the chamber and other civic organizations could do a better job. " Chamber President Kline L. Roberts was in the center of the controversy. 30 Non-contentious and non-controversial, he had guided the CACC for the past 15 years. In defense of Roberts, supporters cited that he was in the unenviable position of trying to please widely diverse groups of members who could not agree among themselves on what the Chamber ought to he or not. Some believed the CACC's sole role should be in the area of economic development; others, deeply in social

<sup>48 &</sup>quot;Kline Roberts," Columbus Monthly (April 1978).

Columbus Dispatch, 14 March 1976.

<sup>50 &</sup>quot;Kline Roberts," April 1978.

problems, e.g., schools, housing, poverty, and relations, of the community; other's the CACC's role should change with changing situations. Where Chambers are divided, they often fight to deadlock and inaction. Another factor influencing the criticism was a change in direction as provided by the top leaders of the organization, whose new chairman of the board was a dynamic, aggressive leader. Also the Chamber was criticized for doing a poor tob in image building. While in the process of developing a quarter of a million dollar program to promote Columbus as a good place to locate business, an oft-heard criticism of the Chamber was that it was underfunded - it was competing for new business against cities with far larger budgets. Chamber President Kline Roberts, in defense stated "We don't have large industrial facilities - those people who produce wealth, who are the foundation of the Chamber in some other cities." The new Chamber board chairman agreed that the Columbus Chamber's budget was somewhat less than ideal, but said also, "We don't need as big a budget as some other cities. We've got a better product to sell." The Columbus Chamber had an operating budget then of \$680,000, plus another \$140,000 that came from the affiliated organizations such as the Advertising Federation and Safety Council. total for fiscal year 1977 was \$820,000. Columbus SMSA population was 1.00 million. Indianapolis, in comparison, - three notches above Columbus with an SMSA population of 1.14 million - had a 1977 Chamber budget of only about \$700,000. But in Cincinnati - 25th largest SMSA with 1.37 million people - the Chamber that year planned to spend \$955,000 for operations and another \$244,000 from a special economic development fund, plus about \$500,000 for its magazine, for a total of nearly \$1.8 million. If the Columbus Chamber was able to finance its proposed quarter-million dollar economic development promotional campaign, it would be in a better competitive position, at least in relation to its nearest major rivals, some felt.

In November 1978, United Way Executive Director Alfred S. Dietzel was named the new president to succeed Roberts. 51 Quickly endorsed by the local press, the new chief was described as a dynamic person who was accepting not only the challenge to formulate plans for the growth of Columbus but its environs, as well. 52 At an earlier period, the CACC had also appointed a dynamic person in John W. Kessler as the new chairman of the board. 53 Dietzel, particularly enthusiastic about Columbus' downtown

<sup>51</sup> Columbus Dispatch, 28 November 1978.

Columbus Citizen-Journal, 29 November 1978; and Columbus Dispatch, 30 November 1978.

<sup>53</sup> Columbus Dispatch, 18 February 1979.

redevelopment program was looking forward to involvement in it and also intended to re-energize it by making it more aggressive, streamlined and action-oriented. 54 One of his first challenges though was to gain community support for an aggressive area promotional campaign. In late 1977,55 the chamber began considering a \$400,000 promotional blitz to enhance the national reputation of Columbus and Franklin County and promote community pride. Susiness contributions had grown to \$150,000 at the time of his appointment. proposal, however, had incurred opposition from Columbus City Council and Franklin County commissioners. Both had balked at appropriating \$125,000 a piece for the campaign. However, the two bodies agreed it was necessary to have representation on a chamber-city-county joint planning board. The development of alternatives for what should be done and the ratification and possible amendment of these choices involves many actors and is often a long and difficult process. By June 1979, however, the promotional plan was getting under way. 56 Members of the Chamber's Central Ohio Economic Development Council (COEDC) were starting a two pronged attack, to start that fall, to sell

<sup>54</sup> Columbus Dispatch, 28 November 1978.

<sup>55</sup> Columbus Citizen-Journal, 16 November 1977.

<sup>56</sup> Columbus Dispatch, 1 June 1979.

central Ohio to central Ohioans, nationally, and to targeted industries as a good place to locate. As part of the effort, a professor in OSU's political science department would randomly survey about 500 Ohioans on the community's assets and liabilities, the area's quality of life, cultural activities, political scene, and economic progress. After the results were tallied, COEDC would develop the promotional campaign, to cost about \$300,000 to positively sell the city. Phase One of the campaign, with multi-media advertising, would be launched from September through December 1979. Phase Two was anticipated for a January 1980 start. Its aim was to retain local businesses in central Ohio and to attract out-of-town businesses to the city. campaign was anticipated to have multiple effects on the local economy. New businesses would reduce unemployment and increase the tax base. To coordinate efforts, the city's development department, the Columbus Convention Bureau, and the CACC would be merged to allow for better communication.

Thus, Columbus is well on its way towards improving its image under new leadership. One who has served on numerous public boards, commissions, and task forces in the city over the last 20 years, as well as being an entrepreneur himself, remarked

...Columbus grew sufficiently rapidly and successfully following World War II that probably most of the business interests here were fairly

surprised with the success. And, therefore, Columbus did not become a typical rah-rah booster promoter type city. It had a low profile chamber of commerce...a service of goodwill to applicants. But the chamber did have vitality and vigor in giving leadership to internal community conflict resolutions - always very active in school levy issues, very active in promoting a humane and sensible discussion of any major controversy that came about. But I say a very suprising role for the chamber, but one which obviously fit the mood of the city. The business leaders of the city control the chamber of commerce. They'd of gotten rid of the director if they wanted him to do something else. So in a sense Columbus was surprised by its successes of growth so that most of the growth promoters-business types, the banks, radio stations, the newspapers, retailers-the people that benefit from members, were reasonably satisfied and therefore, they, in a sense, concentrated on the accommodation of growth and interest group interaction that kept us reasonably happy and reasonably governed. if vou sense, the business leadership, through the chamber over the past 20 years, was largely a constructive force in this community for clean government, good government, and humane airing of our principal problems. Oddly enough, I think that has ended. Notice that the chamber has recently permitted its director to retire. Roberts was the leader of this character of the chamber, and gradually what has happened is the business community has obviously wanted to get a rah-rah promoter...now I think that the reason for that is Columbus growth has slowed tremendously. Whereas in the 1950s and the early 60s the growth was so good it was surprising and everybody was happy, by the late 1970s, Columbus growth had dramatically. That's because state slowed And given government is not a growth industry. Proposition 13, I don't think it ever will be Universities are not a growth industry. again. We can expect declining enrollment and probably declining at OSU over the next decade as in contrast to what has happened in the last two Research in a sense is not a growth decades. industry anymore. The great space age put the man on the moon...R and D effort of the late 50s and 60s which helped create Batelle's oresent size is over. They've struggling for competitive little contracts now. So Columbus' growth, although it's still positive and still of a good quality no longer has those great big engines of growth that make it look so good before.

As concerns the development of a coordinated and selling approach to city development, by now, then Columbus had made some positive steps. In consonance with concerns raised by civic leaders after the 1975 Kansas City trips, the city government for the first time in the history of Columbus, took an active leadership role in the economic development of the city. 57 Beginning in the Spring of 1975 and gaining considerable momentum in 1976, through sustained and coordinated efforts of the private sector and leadership of city government, a Mayor's Economic Development Plan was Mayor's Economic Development written and Council considerable established. Realizing the impacts Columbus' continued growth and the need to initiate coordinated efforts, and despite his earlier announcements on centralized coordination, Mayor Tom Moody appointed a 20-member Economic Development Council in 1976 recommend policies for stable growth, and (2) direction for future development efforts. Those on the council included bankers, industrial developers, minority groups, and business and labor leaders. All had vital

<sup>57</sup> Columbus Dispatch, 5 April 1979.

interests in the local economy. The council was considered unique since hardly any other city in the United States organized one. The council was designed for the purpose of establishing a clear working relationship between the private and public sectors to promote the city's economy. Coalitions must be built if formulated policies are to be legitimated.

The plan's origins and subsequent achievements are of In 1975, the Columbus city government filed application for a 302-A Planning Grant, under the Public of 1967, with the Economic Development Administration (EDA). Thereafter the city was awarded an initial grant to develop a plan which eventually led to the overall plan. As a necessary condition, the Council was established to involve the community (the private sector) with the city (public sector) in creating a plan. consequence, many diverse groups in the community interacted to specify economic development goals and strategies for the That year, as a city seeking to solve its future socioeconomic problems, Columbus also qualified for federal local public works programs. This was not related to existing unemployment or related problems, however. November 1976, EDA approved the plan. A local public works project for \$3.4 million was applied for and funded, reportedly due to the quality of the overall development plan. In 1977, federal officials met with the mayor and other Columbus officials, the staff of the Department of Development, to praise the effort and the plan, and the city received a number of the grants listed earlier. Later, in 1977, the Washington Post focusing on the development of Columbus' Cultural Arts Center, pointed out the success of the effort and asked why other cities had not done so well. Other benefits were as follows: the plan was the key to additional federal grant applications, such as \$2.5 million for the Mount Vernon Plaza; and, in 1978, it served as the basis for helping the Federal Glass Company apply for a loan from EDA. To round out the compliments, the National Council for Urban Economic Development, cited Columbus in 1978, as one of three cities in the nation (Chicago and Los Angeles being the other two) in which the mayor's office provided a significant leadership role in economic development.

As with many policy events, the proceedings associated with the plan's development brought about some controversy. In July 1976, the Mayor's Council for Economic Development met and adopted five general goals Columbus and Franklin County. 58 The development council, which had met

<sup>58</sup> Columbus Dispatch, 30 July 1976.

earlier to formulate the goals, approved revised versions at the meeting. The five goals were to

-Maintain a positive growth rate for Columbus and Franklin County.

-Maintain the economic vitality of the Columbus Downtown area.

-Establish programs to reduce unemployment in Columbus and Franklin County.

-Increase the economic vitality of the Inner City and minority participation in the economic growth of Columbus and Franklin County.

-Determine, develop and sustain a six-vear economic development and program.

In that meeting, however, considerable debate over the language used to state the goals supported earlier predictions that controversy would arise when specific programs were considered. This was not to be unexpected though, for typically, the clarity of goals for programs to be enacted suffers because the process by which policy statements get formulated and legitimated is so complicated and so slow. Clear goals are rare because the different supporters of a program have different goals for it. Thus, in order to build a winning coalition, very vague and broad goals are often stated. The goals stated will also be general enough to encompass a variety of more specific goals and to keep the partners in a coalition from defecting. For each set of actors in the winning coalition is responding to its own vision of the problems to which the programs will

This means virtually no major programs enacted respond. have unambiguous goals that will be widely agreed on. council, authorized to formulate an overall economic development plan for Columbus, questioned whether it should set the goals for the city, the county, or the five-county metropolitan area. Eventually compromise was reached and the members agreed that, although the mayor had appointed the council to set goals for Columbus, the city's economic development affected the county and the entire metropolitan area. Hence, goals would be aimed at "Columbus and Franklin County." In so doing, the council also decided to "maintain a positive growth rate" rather than one in excess of the growth rates of Ohio's and the nation's since they were considered undesirable. In addition it broadened the fourth goal to include economic development among minorities on the county level as well as in the Inner City. Opting to develop a six-year plan rather than the originally proposed 10-year plan, the council was influenced by the fact that the U. S. Department of Commerce's Economic Development Administration, which funded the city program, operated the federal program on a six-year schedule.

By September 1976, the Mavor's Council for Economic Development had adopted a list of strategies to attain the five previously approved goals outlined above. <sup>59</sup> At that time, the mayor responded he was pleased with the group's work and said it was the beginning to "provide a needed sense of direction" for the city. On the heels of the approval of the strategies came an announcement that the department of development would file applications to fund two projects: \$600,000 for the pedestrian mall project on Lynn and Pearl Streets behind the State Office Tower, and \$235,000 for the Capitol Square lighting project. These grants would cover 100 percent of the costs of the projects if approved.

The city's development goals, formulated and legitimated in 1976 are as follows: 60

GOAL: To maintain a Positive Growth Rate for Columbus/Franklin County.

OBJECTIVES: To encourage a policy of selective growth in employment that:

- 1. maintains manufacturing's share of total employment;
- 2. increases the expansion of the private, non-manufacturing, service sector (i.e., financial, insurance, real estate, business, personal, and professional services, wholesale and retail trade);

<sup>59</sup> Columbus Dispatch, 28 September 1976.

<sup>60 &</sup>quot;Profile...Columbus Ohio, " pp. 44, 45.

- 3. increases public sector employment consistent with need, and
- 4. emphasizes Columbus' favorable geographic location in expanding its role as a warehouse/distribution center.

.To provide a more effective basis for coordinated efforts to retain existing firms and to attract new firms to Columbus and Franklin County.

.To increase per capita income in Columbus/Franklin County.

.To maintain a positive annexation policy consistent with Columbus' role as the economic center of an expanding metropolitan region.

.To maintain the fiscal strength and responsibility of the City of Columbus relative to increased public service demands generated by growth.

GOAL: To maintain the Economic vitality of Downtown Columbus:

#### OBJECTIVES:

.To increase the development, location, and expansion of (such the down town area as headquarters, hotels, convention centers, professional facilities, etc.) which will attract dollars generated outside the region into the local economy.

.To increase the development, location, and expansion of public facilities (such as city, state, and federal offices, a civic center complex, and a major cultural facilities) in the downtown.

.To provide and encourage those activities which contribute to the development and use of the downtown on a 16-hour per day basis.

.To encourage the inclusion of housing in multi-ourbose projects in the central business district to support downtown activities.

.To reduce downtown land use incompatibility.

.To improve accessibility to downtown.

GOAL: To Establish Programs to Reduce Unemployment in Columbus/Franklin County.

### OBJECTIVES:

.To provide, encourage and promote programs to reduce unemployment among groups or sectors experiencing relatively high rates of unemployment.

.To provide, encourage and promote training programs involving local businesses and industries to develop a more skilled labor force.

.To improve accessibility to employment centers.

GOAL: To Determine, Develop, and Sustain a Six-Year Economic Development Plan and Program.

### OBJECTIVES:

.To develop a comprehensive information base containing current and historical data and relevant references.

.To provide a focal point for the coordination of economic development efforts.

.To provide economic data, economic information, and professional assistance to Columbus-based firms, small businessmen, public and private agencies, the Mavor's Economic Development Council, and to other interested parties, including outside firms, in order to improve the quality of public and private decision-making.

.To encourage planning to insure that the adequate provision of public services is accomplished relative to expanded business, industrial, and residential development, in accordance with the growth goals of the community.

.To examine the implications of the metropolitanization of the region and its public services.

GOAL: To Increase the Economic Vitality of the Columbus Inner City and Minority Participation in the Economic Growth of Columbus/Franklin County.

### OBJECTIVES:

.To insure access to new employment opportunities for inner city residents.

.To increase the number of minority-owned business establishments and thereby increase the gross receipts, career job opportunities and payrolls of minority businesses.

.To increase the capability of minority businesses headquartered in the city to do business with the government.

.To encourage the generation of venture capital financial assistance, and improved bonding and insurance to minority businesses.

.To develop the Mount Vernon-Long Street neighborhood.

Bountiful praise and gain had been the results of the Mayor's Council by 1979. The EDA, the chief source of funds, has not only publicly praised the efforts of the council in specifying goals and strategies, but has also become an important source of federal funds for improving the social overhead capital in the city. Within two years, the plan generated nearly \$15 million in federal grants to the city. The grants have included

- .\$3.4 million for projects such as Lynn and Pearl alleys, the development of the Cultural Arts Center, recreation centers and neighborhood lighting.
  - .\$3.7 million for the development of Capitol Square South.
- .S5 million for the Fort Hayes Career Center, Shepherd Library on East 5th Avenue, Capitol Square lighting and other street lighting.
  - .\$2.5 million applied to the Mount Vernon Plaza.

<sup>61</sup> Columbus Dispatch, 5 April 1979.

.Approximately \$100,000 per year for four years for administrative salaries of the EDA staff within the city's Department of Development.

A minority business development program set up to encourage the purchase of more goods and services from minority vendors. Other cities adopting Columbus' plan as a model have included Cincinnati, Long Beach, Calif., and Fort Lauderdale, Fla. Lastly a Soviet representative flew from the Soviet Embassy in Washington, D.C., to Columbus to pick up a copy for his country. In 1979, also the plan was being updated, and when completed, it would provide Columbus with an even more up-to-date set of goals and strategies based.

Perhaps though the plan had even greater significance politically. When the mayor came to office in 1972, there was no such plan, and community redevelopment policy was a fledgling on the political agenda. The putting together of the plan would also mean that a broad policy framework had been formulated and legitimated over the four years between 1972-76. During that initial four year period, one can speculate that critical aspects of the policy's formulation and legitimation had been discussed. Presumably the scope of the problem had been identified for government action as well as possible approaches to deal with it. Also, possibly, alternatives were selected and developed. Then in the spring of 1975, shortly before the mayor's reelection, a special committee was appointed to begin winnowing out the

details. In the fall of 1975, advocacy was further gained when leaders from the city visited Kansas City. The legitimation of the plan in the summer of 1976 showed a decision had been reached to coordinate efforts of the private and public sectors as general goals and specific means for achieving them were now ennunciated publicly. In other words, a coalition must have been achieved by this point in time. And as Salisbury would argue, the mayor was probably at the peak of it. 62

In 1978, the Mayor's council recommended the establishment of a Division of Economic Development in the Columbus Department of Development, the Business Services, Office. 63 Principal functions of the new office were to retain existing business in Columbus, and enhance cooperation between private businesses and local government. In the future, the council will respond to such issues as population and employment changes in central Ohio, the development of central Ohio's research potential, the significance of historic preservation in the city, the role of the city's annexation program, and the importance of cultural and sports facilities in order to give policy

<sup>62</sup> Salisbury, "New Convergence of Power."

<sup>63</sup> Columbus Dispatch, 5 April 1979.

recommendations necessary to deal with issues vital to shape the nature and character of the city's economic and social well-being.

The Division of Economic Development in the development department was created in July 1978.<sup>64</sup> At the time a dozen employees were at work and six new employees, including a \$26,520 administrator, were to be hired by January 1979. Funding for the new division's \$300,000 annual budget would come from the development department's existing budget. The new division, in addition to functions listed above would, recommend economic development plans for the city and develop programs for attracting new businesses. The division was also granted authority to intensify its work with several federal economic and development programs.

# Summary

In closing this chapter, we will pause for a few brief moments to reflect on city government or the public sector, which as the evidence in this and the previous chapter indicate, is heavily involved in redevelopment policy efforts. The image of city government can be classified as an instrument of city growth, provider of life's amenities, caretaker, or arbiter of conflicting interests. Where the city government's image is an

<sup>64</sup> Columbus Citizen-Journal, 5 July 1978.

"Instrument of City Growth," the central priority will be population and economic growth. As an instrument of growth, it will usually be supported by bankers, local businessmen, newspapers, utilities, the city bureaucracy, planners, and large property owners. And in this instance the preferred policies will usually be rezoning of land for industrial use, extension of sewer and water lines to potential factory sites, low taxes on land zoned industrially and on new plants, annexation policies, advertisement of the city's advantages as a potential industrial, home office, or development site. Where government is seen as "Provider of Life's Amenities," the central priority is that the city should be a desirable residence. Supporters of this position are homeowner's associations and residential real estate brokers. Preferred policies will be exclusionate zoning; land use control; industrial parks with light industry; and heavy investment in parks, recreation and educational facilities. As for the third category, where city government is seen as "Caretaker," the central priority is that the city should provide only essential services and keep taxes low. Common adherents of this view are the philosophical, conservative, retired, or homeowners. And preferable policy positions are to oppose most proposals requiring additional taxes or bond issues. Finally, where city government is seen as "Arbiter of Conflicting Interests," there will be no substantive central priority. Governments exist to settle disputes in accordance with principles of equity and justice. Common supporters are minority groups, or others that have relinquished the desire to govern in terms of their preferred image. And preferred policies are open housing and equal job opportunity.

Based on what is going up in Downtown Columbus and city governments role in the effort, Columbus government in the past decade is an instrument of city growth. only to reread the five goals postulated by the Mavor's Economic Development Council to understand this. broadest policy guidelines have been ennunciated in that direction, and since 1972, a coalition of major locallybased businesses, the city bureaucracy, the mayor, and perhaps in some important ways, citizenry support, have all coalesced for this purpose. And once broad policy has been outlined specific means or programs for achieving the goals prescribed in the policy statements will be developed and implemented. One major policy goal for Columbus is maintain the economic vitality of Downtown Columbus. One of the means prescribed to accomplish this was to develop a convention center to attract dollars generated outside the region or city into the local economy. The activity of the city in this direction would consume much of the city's efforts in the 1970s.

### Chapter Two

## MAYOR GEORGE J. KARB'S DREAM

Politics is the science of who gets what, when, and why.

Sidney Hillman: <u>Political Primer for All</u> <u>Americans</u>, 1944

# Resource Acquisition

A mayor in Columbus once had a dream. I That dream was of a convention center, one which would bring people to Columbus to stimulate the local economy. The center would mean the city would no longer be compelled to beg for conventions. Upon its completion, the mayor said of the center, "they will come knocking at our door. It's the Columbus." biggest thing put across in ever contemporary, fireproof structure would seat 10,000 persons. Floor space would total 75,000 square feet. At the time only Chicago's Coliseum and New York's Madison Square Garden would be larger. The mayor who made this announcement was not Columbus' present mayor but Mayor George J. Karb in 1916. The dream was not fulfilled at the time, but of course, would be a recurring one. To enhance economic

<sup>1</sup> Columbus Dispatch, 19 June 1977.

vitality in a community is a broad policy goal. Goodwill and symbolic statements alone, do not translate ideas into reality, however.

When the Columbus Convention Bureau first endorsed long-range planning for a convention center in 1961, few people recalled that once before, in 1945, Franklin County voters approved a bond issue to build a magnificent memorial building to make Columbus more attractive conventioneers. 2 That facility, The Veterans Memorial Auditorium, would take 11 years to build, as officials squabbled over plans and muddled through to allow postwar inflation to take its toll of the funds and thereby produce an inadequate facility. Upon the 1961 endorsement, few people thought the city needed or could afford another facility so soon. Little action was taken until 1968, when the idea again appeared upon the recommendation of planners. Consequently an ad hoc group, formed in 1969, visited convention facilities in several other cities, paid for feasibility studies of the local convention market, deliberated among several possible sites in the downtown Afterwards quiet but intense competition occurred between interests in the northern Downtown versus those in the south to determine the center's location.

<sup>&</sup>lt;sup>2</sup>Cook, "The Race to Revitalize Downtown," p. 38.

Planners in 1968 recommended the center be located in the southern Downtown. A former city administrator who participated in the site selection process informed the writer

We really went into depth with all the different criteria, not only cost, but numbers of owners, location relative to the transportation system...all kinds of factors were used evaluate each site...It was located where the transportation had system great potential development and future expansion.

And an elected city official remarked

In many respects, the fact that there was a problem is what led to the creation of the Ohio Center as a solution. The problem is a major railway facility with its great area cutting across the northern part of the Downtown area and effectively reducing...even though it viaduct...reducing easy passage from one place to the other...so it was a problem site. And a major part of the genius of the committee was to try to address two problems in one situation: ugly railroad yard, underutilized, ugly an railroad station underutilized, cutting across the town, and the other the absence of a truly good convention center facility. And maybe a third the prospect for that railroad station problem: was nothing but downhill...So it is not the easiest place to build a convention center, but on the other hand the decision to build is there and to do so knowingly and in appreciation of the difficulties of the site...it seems to me as an urban improvement.

Thus, in the compromise, Union Station was chosen as the site for the Ohio Center. Southern Downtown interests were compensated by a city supported effort to redevelop the three square blocks bordered by State Street on the north,

High Street on the west, Main Street on the south, and Third Street on the east. Site selection was agreed upon in 1971. But what occurs between the announcement of intentions and program completion is sometimes rougher than many anticipate.

In the spring of 1971, the Ohio Center Commission formulated and articulated initial plans for construction of the Ohio Convention Center for authoritative consideration. In a report to the community on 18 May 1971 at Columbus City Hall, the commission recommended the following:

- 1. That the City of Columbus buy from the Penn Central Transportation Company, the Union Depot property and adjacent land totaling about 27.5 acres for approximately \$6 million,
- That a joint city-county authority be established to build and operate
- . an exhibit hall minimum 150,000 square feet of exhibit space plus an additional 75,000 square feed of meeting space.
  - . a sports arena minimum 15,000 seats;
  - .on site facilities minimum 3,000 cars;
- . A terminal for rail, transit bus and rapid transit passengers;

Also to provide for the private development of

.at least one hotel-motel - minimum 1,000 rooms;

<sup>3&</sup>quot;The Ohio Center - Commission's Report Tells How It Can Come About," Columbus Forum, (June 1971): 8, 9.

<sup>4</sup>Ibid.

.additional parking facilities;
.stores, shops, offices;

and to investigate the possibility of cooperating with the Central Ohio Transit Authority in establishing

. shuttle bus service between the Ohio Center and the downtown core; and

.an eventual upper level rapid transit loop in Wall and Lazelle alleys extending from the Ohio Center through the downtown core to the Court House complies.

With respect to specific implementation features, the following conditions were constraining. 5 First, in terms of site acquisition, the Union Station property was available and Penn Central Station was anxious to sell it at \$5.00 a square foot - a low figure based on Downtown property valuations then. And although financial resources are usually always a problem in capital construction projects, the city according to the commission earmarked for capital improvements. To finance the property cost, the city would issue capital improvement bonds to be retired later with receipts from the income tax. The bond issue would be one of the items Columbus residents would vote on in the upcoming November 1971 elections. It is usually the case that the electorate must make certain broad choices

<sup>5&</sup>lt;sub>Ibid.</sub>

directly, such as voting on bond issues or tax rates, even though they haven't demanded them. The vote was required because the city charter required a vote on each proposed capital improvement project. The Union Depot package was but one of a number of capital improvement projects the city would submit in November

Another condition that prevailed incident to the purchase was that the Ohio Center Commission then currently held an option to purchase the property. But due to faults in the railroad's title, the city must condemn the property and acquire it by eminent domain. The commission estimated it would take about a year and a half for the railroad to complete the corporate proceedings required to obtain federal court approval for closure of the transaction.

Since policy implementation also requires the establishment of organizational structures to translate intent into action, the commission recommended further that a joint city-county authority be created to bring the proposed center into being. Ohio enabling legislation provided for such an authority. The Ohio Center Comission, itself, could not proceed to implement its proposals since it had no authority to do so. Formed earlier to study the need for the center and to make recommendations, it had completed these tasks. The recommended procedure was that the city establish Ohio Center Authority through a council

resolution. Many times councils play supportive roles in a community's decision-making process. City Council action would be followed by similar action by the Franklin County Commission, and such legislation was already in progress. The Ohio Center Commission further recommended that one the authority was established, it hire a full time executive director, and begin contracting for feasibility studies, architectural and engineering reports, and final plans.

Additional aspects of the proposal concerned finances. Bricks and mortar are not made out of garbage or good intentions. City income tax money could be used to acquire the land but it would not build the complex, nor could it operate the facilities once they were built. The commission recommended this money come from secondary sources, such as parking lot revenues, mortgage revenue bonds, space rentals of the exhibit hall or sports arena, sale of air rights for private development, property and hotel taxes, and federal funds available for transit development.

In summary, the commission in its planning proposal had defined the basic implementation actions or the problem to get the center built. There would be acquiring and disbursements of money, assignment of personnel, writing and signing of contracts, and the establishment of organizational subunits to follow. The Franklin County

Building Commission would plan, design, and build the center, and the Ohio Center Authority would operate and maintain it after it was completed.

One of the items the commission made clear was that the \$6 million would be only sufficient to acquire the land from the Penn Central Railroad. And as pointed out previously, money to build the convencion center would have to come from other sources. However as a result of the wording of the bond issue proposal on the ballot, and somewhat misleading media campaign, the electorate would think upon approving the bond issue in November 1971, it was buying bricks and mortar as well as land. For the wording on the ballot was as follows: 7 Immediately after "Purpose" the ballot read "For acquiring real estate...and to redevelop said real estate as a transportation, assembly and activity center, including facilities for mass transit, parking, and exhibition hall complex, a sports arena and other related or compatible uses." Very often when byond issues must be voted on, it will involve "selling the public" on the desirability of the proposal. They usually it, and often not demanded have no predispositions one way or another except perhaps for a

<sup>6</sup>Cook, "The Race to Revitalize Downtown," p. 38.

<sup>7</sup> Columbus Dispatch, 19 June 1977.

class-related bias on public expenditures. When this approval is required, and in anticipating the limits of tolerance, key decision makers usually carefully tailor their proposals. This kind of influence, exercised by generalized constituency sentiment is generally less than positive. The impact of this decision would later impede implementation progress.

In 1973, City Council appropriated the \$6 million to buy the Union Station site and not coincidentally; later the same year, the Nationwide Insurance organization announced plans for a \$50 million complex, and the U. S. General Services Administration approved plans for a \$17 million federal office building near the Union Station tract. By 1974, however, after three years of sensitive and frustrating negotiations with the railroad and the heirs of those who had sold their land to the railroad with "reverter" clauses in the deeds, the city of Columbus assembled the 27-acre tract. Attesting to the difficulties involved in site acquisition, one who participated in that process informed the writer

The owner, unfortunately being a bankrupt railroad wasn't the easiest thing in the world. We started in...to acquire that property...the city of Columbus...and June we were ready to go...exactly the way the attorneys who represented the railroad

<sup>8</sup> Ibid.

told us to do it. And it was acceptable to Judge...in a federal court in Philadelphia. And then I went on vacation. I came back and I went into the guy who was doing this here, and I asked him how are you doing? And he said they changed legal counsel. And we had to do the whole thing over. And so it was a year from September, that we got it back to where we had it in June.

late spring 1973, Warren Cremean, executive director of the Franklin County Building Commission, announced plans to increase the acreage of 27.5 acre site in a meeting of the Ohio Center Authority. S Cremean's proposal came in response to remarks by the authority's president, who said ownership of a particular parcel was essential if the convention center was to be developed properly. The property was owned by Bogen, Bogen, and Bogen at 490 N. High Numerous actors get involved in implementation Street. including those outside officially established structures. The slightly more than 2 acres of land was surrounded on all but the west side by the real estate the city was acquiring. Cremean remarked "negotiations have to be started. I'm sure it can be acquired." The authority president expressed concern the agreement with Penn Central for purchase of the center acres did not include purchase of rights-of-way along railroad tracks that radiate from that area throughout Franklin County. Also the Central Chio Transportation

<sup>9</sup> Columbus Dispatch, 18 May 1973.

Authority (COTA) had proposed that the rights-of-way eventually be used to carry a mass transit system. Apparently the purchase of rights-of-way was not in the agreement because the railroad did not want to encumber itself with a sale before an agency had a definite plan to develop the rights-of-way. The mayor said the purchase would have to be made by the city, county or COTA, and he would contact the city attorney, county commissioners and COTA representatives to determine which entity should pursue the matter. Cremean said the railroad was willing to consider any kind of arrangement, including leasing the rights-of-way or sharing them. He also reported that the Convention Center Building Commission would determine within two weeks the respective functions of a contract consultant and construction manager. An architect could begin land use planning in 35 to 45 days after that and "things will move rapidly then," he said. The authority adopted a code of regulations and elected its temporary officers to official terms.

In early October 1973, the Convention Center Building Commission began struggling to come up with the funds to construct the center. While several possibilities, including but not limited to, general obligation and revenue

Columbus Dispatch, 4 October 1973.

bonds, were explored, one likely source identified was the hotel-motel tax that generated more than \$5 million annually for the city. County commissioners had authority to enact such a tax countywide by eliminating the city tax which went into the city's general fund. A portion of the revenues could then be earmarked for debt service on the new The tax would be intended to help convention center. convention business in Columbus Cremean argued, there was no convention hall in the U.S. that could pay its operating expenses, maintenance costs and debt service from its operating revenue alone." "You have to give too much away to get the business in," he noted. In other business, the commission also planned to sign contracts for construction, contracts for construction manager, and contract consultant. These would enable a master plan to be drawn during the next two months, preparations necessary for schematic design financing. The commission's 1974 budget would be about \$350,000, with most of the money going to consultants. related to financing the center's building, the County commissioners, who were also members of the building commission, asked the county prosecuting attorney's office to research the question. Cremean said a countywide tax would produce about \$100,000 more a year than the city tax. One County commissioner said the entire county would benefit from the business activity that would be generated by the

If policy can be couched in distributive terms, implementation is likely to proceed smoother. Where the benefits are distributive, everyone involved stands to gain something tangible, so everyone has an incentive to achieve the specified objectives without delay. Other members of the commission, commenting, felt the financing of the facility must be unique to be competitive with other cities, as one county commissioned added, "We don't have palm trees or an ocean, so we need a facility better than others." At that time also, the Chicago firm of C. F. Murphy and Associates, previously designated as general architect for the project, recommended Prindle & Patrick of Columbus as its local associate. The commission members, wanting Murphy and Associates to remain the prime contractor, would sign a contract with that firm under the condition that Murphy worked out a satisfactory relationship with the Columbus firm.

Before the year was over, the commission - headed by former Columbus Service Director Cremean - signed contracts with a construction manager, an architect and a contract consultant, and in November, unveiled a master plan for the site. 11 The facility would be an action center for Columbus people as well as a convention center for out-of-town

<sup>11</sup> Columbus Dispatch, 19 June 1977.

organizations. This concept, embodied in the master plan for the Ohio Center, would include in its development a huge exhibit hall and meeting rooms, a 500-700 room hotel, extensive food services, retail areas and 3,000 to 4,000 parking spaces. The center would be the scene of year-round 24-hour activity. Long-range planning called for the center to become the transit hub for the Columbus Metropolitan Region. It would be built over the Union Depot, and railroad tracks would radiate out from underneath the facility like spokes of a wheel in many directions. To the south of the site, Nationwide Insurance was beginning its major commercial development, and the federal office building was planned just south of the Nationwide site. Center was planned to connect with those projects physically and visually, according to the designers. The concept also complemented several major actions which had been taken toward improving downtown Columbus, to include restoring Broad Street as a landscaped boulevard and gradually improving High Street as a two-way route for mass transit. According to Murphy and Associates, the design was very flexible and could be easily changed during construction to conform to changing priorities. Also envisioned was a ring of retail stores around the circumference of the facility. Cremean at the unveiling of the plan at the Neil House, said a fire station would be a part of the complex, but its exact

location had not been decided. The Center would be developed in two phases. First would be the convention center and a 1,500 car parking facility. The hotel would be part of Phase II, with space for 1,500 to 2,500, in addition to the 1,500 car Phase I parking.

Unfortunately, as things would turn out later, the plan proposed covering a section of the railroad tracks with a building and utilizing a small portion of land which later was to become involved in a yet-to-be resolved litigation. But more importantly, the project threatened to selfdestruct, for the Building Commission still had no money to build a meeting hall, a hotel, a sports arena or anything else. 12 Cremean, described as perenially optimistic engineer with an extensive background in highway construction and contract administration, was universally liked and respected by the city's business and political leaders, but they didn't like the message he conveyed: The convention center could not be built without a massive commitment of new National politics were on peoples' minds, central Ohio voters were turning down tax proposals. To add to the dilemma a previous decision was now having impact: many people couldn't understand why the Cleveland Cavaliers weren't already dribbling in the sports arena they perceived

<sup>12</sup>Cook, "Race to Revitalize Downtown," p. 39.

they had bought three years earlier. In general, one of the initial problems to occur in public works and capital construction projects is going to be resource problems for city and urban administrators. A resource strategy will be necessary to deal with them. Columbus didn't have one—at least to construct the convention center. And the politics of resource problems involve a politics of allocation—either distributive (the whole community will benefit from the activity) or redistributive (one set of interests in the community will benefit at the expense of others).

In early 1974, the Convention Center building commission announced it would propose a \$16 million bond issue as construction of the facility, then estimated to cost \$47 million, could begin by year's end. 13 The proposed bond issue, to be supported by real estate taxes, would be placed on the November 1974 ballot throughout Franklin County. The amount of the issues would depend on how much could be raised from other sources, such as federal grants, revenue-supported bonds, hotel and motel taxes, and rentals. With the design completed, commission members were now ready to build, as one commission member and also a Franklin County commissioner, said, "We are at a point where we are ready to go." "It looks to me as if there is only one way

<sup>13</sup> Columbus Dispatch, 7 April 1974.

to go. You can't raise that kind of money without a bond issue. It will be up to the people if they want it. " To raise that kind of money (\$46 million), city land owners would be assessed 1.6766 mills each; of if the entire county served as the base, 1.0622 mills each. The commissioner felt if a decision was made to assess the county, a .75 mill assessment would be sufficient. The county auditor's office had reported a .75 mill would bring in \$2.55 million a year, and the .75 mill assessment would be sufficient to pay off the bonds in less than 23 years. Other commission members agreed it was time to make a move but didn't know where the resources would come from. Cremean, urging them on, said the demolition of existing buildings, site preparation, and the installation of utilities could be started rather quickly once a means of financing the complex was decided. Commission members had publicly agreed that a bond issue campaign was probable in the future and that they should begin amassing support. Cremean also said he had a few firms now interested in building the hotel and would name them during the next commission meeting. In the present meeting legal expertise had been soliticited as an attorney from a Cleveland bonding firm told the commission that his most optimistic estimate was \$31.3 million from sources other than voted bonds. Warning the commission he doubted that much could be raised, he liste possible financing

alternatives. A bond counsel specializing in financing, the attorney, had already told commission members that alternatives for raising \$47 million included the sale of Veterans Memorial, federal grants, revenue bonds and a bond issue voted on by either county or city voters. He informed them they had "a whale of a problem", noting also "Convention centers around the country are not great money They are not designed to make money. makers. They are designed to bring people into the community." Saying it would be difficult to market revenue bonds on the project, he added a maximum total of \$31.3 million might be raised with a combination of money-gathering techniques. following were amounts the attorney felt might ideally be derived from possible financing alternatives: Four million dollars from the sale of Veterans Memorial (which one commission member felt would quickly bring opposition); \$2.27 million in revenue bonds financed for ground rental to a hotel; \$2.9 million in revenue bonds on a parking facility; \$3.37 million in federal highway grants; \$1.2 million in retail space rentals; a \$9.5 million federal grant for the parking garage; a \$7.1 million bond supported by motel tax money from the county and city (if the city and county wanted to give that money to the convention center project); and about \$1 million in funds on utilities. Totalled, that left about \$16 million needed to reach the

\$47 million estimated for the project; making the only other alternative a voted bond issue. In his proposal, the attorney outlined minimal and maximal bond issue plans to the commission to explain tax requirements. One was a \$10 million issue and the other a \$46 million issue, both for 23 years at 5.5 percent interest and financed by property taxes. To raise \$10 million, city property owners would be assessed .3644 mills each. If voted, countywide property owners would be assessed .2309 mills each.

With the commission reaching the limits of its endurance, Columbus Mayor, Tom Moody, would make no commitment on backing the bond issue to finance the center until he saw a report on how to pay for it. 4 Moody felt the center was needed, but pointed out the city already had invested \$6 million to buy the site for it. And if he endorsed a bond issue, he would work to get the proposal backed by other top city and county officials so a unified campaign could be put on. Without consensus, there would be no money. Without money, there would be no convention center.

<sup>14</sup> Columbus Dispatch, 9 April 1974.

By the beginning of summer 1974, Cremean commission members that Phase I of the Convention Center could be completed without any new taxes. 15 Financial consultants had completed a study on revenue projections showing the feasibility of building the exhibition hall and parking garage of the center. contradistinction he added it still might be necessary to put an issue on the ballot so voters could approve the financing methods for the first phase of the center plan. With election rules and procedures becoming another possible impediment, his position was that if the issue was to be voted on that November, a request must be made to the Franklin County Board of Election by July 16. He also said if this was done, construction could begin in early 1975 and the Exhibition Hall would be available for use before the end of 1977, but that time schedule depended to a great extent on several corollary projects that were in the Cremean had asked the city service planning stages. director to report on the anticipated schedule for these several projects. They included:

.A proposal by Penn Central to change the alignment of railroad tracks between Front Street and Fourth Street--a precondition necessary to reconstructing the North High Street viaduct.

<sup>15</sup> Columbus Citizen-Journal, 14 June 1974.

.Whether or not the proposed Naghten Street thoroughfare plans would be changed from the present profile.

Policymaking and policy administration are intertwined. Implementors often try to anticipate changes in the formulated and legitimated activity before the changes occur or while they are being debated. This often means that several different sets of objectives are being pursued simultaneously, and sometimes they may or may not be compatible with one another.

Cremean also wanted to know the priorities the city gave to a connection between the convention center and I-71 and the proposed I-670 that would link the convention center with Port Columbus. In his view, the connection between the center and the airport had considerable potential for generating state and federal funds for the transportation elements of the convention center. He noted the Ohio Department of Transportation was receptive to the project and would expedite processing any proposals made by the city. Cremean said if it was not possible to determine the answers to most of the questions and to prepare a ballot issue in the next few weeks, "We will have to make major changes in our proposed master plan to proceed on schedule."

Three weeks later, Cremean was still pondering the property tax hike when he announced he would inform the Convention Center Building Commission at a one half mill

property tax levy on the November ballot would be the best way to finance the proposed Convention Center. 16 Cremean would say, "They asked me to explore all the possibilities. It appears to me this is the only feasible one." The levy would be for 15 years. Wanting a decision from the Commission, because the levy must be cartified by July 18 to get it on the November ballot, Cremean said, the levy money would be augmented by revenues from the exhibition hall and parking garages planned for the facilities. Lease money proposed for the site and federal and state grants could also help pay for the facility. Further, grants would probably be available from federal highway funds and from the Urban Mass Transit Administration (UMTA). However, he said, "if we wait until we tied down all potential grants, that would be a year or two away and meanwhile construction costs are growing." A response from the Deputy Franklin County Auditor revealed a one-half mill county levy would bring in \$1.7 million a year. The levy would collect 50 cents on every \$1,000 in property valuation. If the levy was passed in November the construction could begin in the early spring of 1975 with the exhibition hall being completed about 30 months later. Cremean said that the one-half mill levy would mean no new taxes for the people of

<sup>16</sup> Columbus Dispatch, 9 July 1974.

Franklin County. His strategy was deft. That year several levies on the tax duplicate were expiring and the new levy could replace them. However response from the county's deputy auditor came quickly when he replied that all levies that expired in the near future would probably be renewed. These included a .75 mill levy for mental health and retardation, a .5 mill levy for children services, and a .5 mill levy for the TB hospital, all scheduled to expire in 1975. A .35 mill levy to finance the County Hall of Justice and jail would expire in 1976, and then nothing else would expire until 1980. Cremean's response was that additional financing funds could be obtained by investing money from the tax levy, and not all of the tax money would be needed immediately. He also would not rule out a county or city hotel-motel tax to help with financing.

Thus the proposed convention center for downtown Columbus began scuffling with various contenders for a half-mill tax levy that coming November. 17 Cremean's position was that the convention center could be financed only through imposition of property tax. In his defense, the Commission's bond counsel explored other alternatives, but recommended this method as being most feasible. In Cremean's view, the half mill would not "be a new tax since

<sup>17</sup> Columbus Citizen-Journal, 10 July 1974.

we would be replacing an expiring levy." But the county and other interests opposed. Although the county had closed the TB hospital, it still supported a clinic and facilities in other hospitals for TB patients, and renewal of that levy would be sought. Various other groups had asked that the half mill be spent for sundry purposes, ranging from aid to welfare families to helping pay for a new municipal courts building. Cremean said the half mill levy would run 23 years to finance the \$46 million complex. At then present property values, a half mill would produce about \$1.7 million a year. The bond counsel previously suggested the bonding level of all political subdivisions be frozen, and the available bonding between those levels and the legal limit be absorbed by the convention center.

Although little immediate reaction came publicly, some officials said such a move would not be politically popular with elected office holders. The bond counsel also suggested a city and county hotel-motel tax to help pay for the convention center. However, the county prosecutor said the county couldn't use such a tax, without a change in state law. In addition to funds raised by such a levy, Cremean said other money would be produced by income from garages, lease of space for a 600 room hotel, rental fees from the exhibition hall, plus federal and state grants. Cremean at this time also announced three hotel developers

were interested in the center site. A Cambridge, Ohio developer wanted to get construction started that year. He would either operate the hotel or build it as a Holiday Inn. The Holiday Inn firm from Memphis was also interested, as was a Columbus and Florida builder, who was then building a Hilton hotel on the city's east side. If the latter was selected for the convention center, his hotel would be a Hilton, Cremean said. But the hotel wasn't the issue here. Often in the heat of controversy, urban administrators will adopt symbolic expressions of commitment and a crusading posture to ameliorate the troubling conditions. Cremean also warned that delays in funding could only increase costs, noting high interest rates and escalating building costs. His conservative estimate at the time was that each year's delay in the plan would add \$1 million to its cost. Also, the \$46 million estimate did not include site preparation, utilities or construction supervision costs.

As the problem worsened, a decision was made. Prior to the deadline for filing the bond issue, the commission voted not to ask for a spot on the November ballot. <sup>18</sup> The initial explanation was a new alternate construction plan had been revealed which could save as much as \$15 million. With the deadline for filing for the election at hand, the

<sup>18</sup> Columbus Citizen-Journal, 12 July 1974.

Commission was faced with the choice of delaying the entire project or considering the lower cost option. But the problems in this instance would not go away with delay or devolution. The original plan called for construction of the exhibition hall on stilts, spanning the railroad tracks that bisected the Union Station site. Cremean said the stilted construction would cost an additional \$10 million, benefitted the railroad and COTA at and would have convention center expense. Meanwhile the Mayor told the commission the city could not yet detail its planned improvements in the area, and that a delay by the commission until city and private development plans were firmed up would be costly. He noted

"the history around the U. S. of these kinds of projects is that they are never funded sufficiently, and then additional funding must be tacked on the end. "There are a lot of people who believed that \$6 million approved for land acquisition two years ago was going to build the whole thing, sports arena and all."

The mayor vowed to see if the city could immediately begin acquisition of the two parcels of land at the northern part of the site, so construction would not meet a further delay. City capital improvement funds, now in investments, could be used to buy the land, with the understanding the commission would repay Columbus, once the voters approved construction costs. The needed land now contained a heating constructing firm and a service station. This land would be necessary,

if the conversion chose to follow the alternate plan, unveiled, which would place the exhibition hall north of the railroad tracks. The alternate plan called for construction of a high-rise notel between the tracks and Naghten Street. The two facilities would be connected via enclosed pedestrian malls. Cremean said it was too early to say what the alternate plan might cost, but estimated it would be between \$32 and \$35 million.

What really may have caused the change though was the prevailing mood of the voters at the time. While voters had supported the \$6 million bond issue three years earlier, they would not be asked to support the new proposal. This was a reversal. The policy response would be not to go to the voters. The voters would have an indirect influence, for in anticipation of the limits of tolerance, it was decided not to seek voter approval. And while city-county political officials had an economic problem, they did not wish it to become one of trust.

For as it was announced later, the sudden change in plans and the temperment of the Franklin County voters caused the Convention Center Building Commission to decide against placing the money issue to finance the Ohio Center complex on the November ballot. Commission members did not express their assessment of voter temperment publicly but they had said privately that the aura "Watergate and the

problems of inflation had put the voter in such a mood that a bond issue wouldn't pass. The commission publicly decided not to seek money in November because of the sudden proposal to drastically change the construction plan for the complex. After many months of planning, Comean had unveiled an alternate plan for the center. The commissioners decided they needed to study the alternate plan, and accordingly it would be too soon to go to the voters in November. Cremean's alternate plan would leave the railroad tracks open through the site. The original and primary plan called for building over the tracks with a train terminal within the complex. The alternate plan would move the exhibition hall north of the railroad and the parking garage and hotel south of the railroad. Cremean said the alternate plan should be studied for the following reasons: the savings in cost and because proposed improvements in the North High Street area near the center site could delay or adjust construction if the original plan was followed. One of the projects mentioned that could delay the center was the planned reconstruction of the High Street viaduct. Cremean had written Columbus city officials for timetables and designs on the improvement projects. The mayor and his service director attending the commission meeting, responded they did not yet have answers to Cremean's questions. Commission asked the mayor and his service director to begin negotiations to acquire the two tracts, and said further it would reimburse the city for the purchase of the tracts. The construction cost on the primary plan for the complex was now estimated at \$46 million to \$48 million. The cost of the alternate plan was estimated at \$32 million to \$35 million.

More troubling, however, the commission, was flat broke. To many in the community at that time the convention center was being written off as a failed dream. Rising construction costs, lack of financing, and the collapse of the early 1970s building boom were quite visible. And the business leaders who had met earlier to decide the site of the center a few years earlier were convinced they had wasted their energy.

In these early planning stages for the convention center, there was controversy in Columbus. The visible problem was financial resources. The public arguments were that Cremean's strategy had failed mainly because of the presumed potential impact constituency sentiment would have at the polls in 1974. This writer would argue differently. Perhaps potential voter impact was a partial factor. But this was not the issue. More commonly, controversy arises in response to the maintenance and enhancement needs of large formal organizations. The two organizations involved here, one can speculate, were city ar county governments.

Cremean executive director of the Franklin County Building Commission, set up to acquire resources for and to build the convention center, had proposed (1) a county-wide tax levy, (2) use of expiring county levies to construction, and perhaps (3) use of the hotel/motel tax. But which community would a convention center to be built in the northern end of the Downtown serve - the city or the larger-scale county? Whose interests would be enhanced. The county had control of Veterans Memorial, the existing convention facility. The city of Columbus had no convention center. The county opposed the tax levy and the use of expiring tax levies. Columbus city officials, wanting the center to be built, had invested \$6 million to purchase the land, but the county could not or would not raise funds sufficient to pay for a facility that would benefit whom? The city? county? or state and regional concerns? Essentially, then, the issue was over the definition of a collective good, one which often arises in the politics of allocation.

Returning to the notion of whether business leaders had given up on the center, perhaps not. For back in 1973, while some downtown businesses considered the were center a castle in the sky, others were quietly maneuvering through the Ohio General Assembly a bill which eventually became Chapter 1728 of the Ohio Revised Code, titled "Community

Redevelopment Corporations. "19 This chapter would permit private developers to receive substantial real estate tax abatements on new projects in blighted or deteriorating urban areas. And they could do so for up to 20 years on commercial developments and 30 years on residential developments. Downtown interests have access to a variety of important policymakers. Such a tax advantage could attract private investment back Downtown. In 1974 and 1975, Battelle Commons and Capitol South were created as community urban redevelopment corporations, to take advantage of this enabling legislation. Battelle Commons' entry onto the scene to develop the Ohio Center developer was accompanied A new by \$36.5 million from Battelle Memorial Institute. hope had appeared. While Cremean had been pursuing a public strategy of public financing for the facility, others were pursuing a different strategy, quietly, and behind the scenes. The history is quite interesting. The activities began four years prior to the state enabling legislation which produced Chapter 1728 of the Ohio Revised Code.

The Creation of a Bureaucratic Subunit

In 1969, Franklin County Probate Judge Richard Metcalf, the

Ohio Attorney General, and eventually, the Franklin County

Prosecuting Attorney began filing a series of legal actions

<sup>&</sup>lt;sup>19</sup>Cook, "Race to Revitalize Downtown," p. 38.

to force the Battelle Memorial Institute to give up much of its accumulated wealth - estimated at the time at up to \$300 million. 20 Years of litigation and negotiation followed. And by the summer of 1974, Battelle, Metcalf and the state attorney general were on the verge of a settlement which would require Battelle to give up about \$80 million for charitable purposes. 21

The episode began according to Metcalf, one day when two Internal Revenue Service (IRS) agents walked into his office in 1969 to discuss Gordon Battelle. The IRS had been engaged in an extended dispute with Battelle. The government was challenging certain Battelle exemptions. As Metcalf would say, 23

They asked me why, if it was a trust, we didn't take an interest. I couldn't believe it had gone on for so long - the will was probated the year I was born- without litigation. I checked the Common Pleas Court, the federal courts. We couldn't find anything. We went to the newspaper morgues. It didn't take long for the newspaper people to figure out who was doing the looking and what we were looking for.

<sup>20</sup> Columbus Dispatch, 12 March 1969.

Columbus Citizen-Journal, 2 September 1974; and Columbus Dispatch, 2 September 1974.

Adrienne Bosworth, "Why Everybody's Nice to Dick Metcalfe," Columbus Monthly (November 1978): 60.

<sup>23&</sup>lt;sub>Ibid.</sub>

Metcalf's investigation into the Battelle will would appear on the front page of the <u>Columbus Dispatch</u> on 12 March 1969. Later, he would file a lawsuit in his court against Battelle. Often, legality is a policy response to bring other actors into the policy process to acquire certain needed resources.

Although Battelle officials have refused speculate on the reasons behind Metcalf's investigation, their comments imply that the investigation was more involved. 24 Supporters of Battelle have theorized that local financial and political powers were antagonized Battelle's failure to fit into the accepted corporate mold of corporate citizenship. 25 Tantalized by the vast resources of the institute, some may have felt the organization should keep its money and investments in central Ohio. But, in fact, there is no hard evidence to support this contention. But also, perhaps the explanation is plausible. commonly, where large absentee-owned firms have tended to withdraw from local participation, there has been cleavage in the business community. Battelle is an international research organization with muultinational holdings interests. And except in rare instances in which local

<sup>24</sup> Ibid.

<sup>25</sup> Ibid.

decisions could conceivably prove significant to their well-being, absentee-owned firms usually stay "neutral" on local issues. Battelle had been "neutral" but eventually they would be brought into city politics, if not as a recipient in the sweepstakes, a benefactor. A local public official who observed and participated in the decision to divest Battelle of the resources informed the writer

The building commission explored various ways to build an appropriate facility, and they conducted feasibility studies about what kind of facility to attract the proper market. The size, then they costed it, then they found out the cost was rather And they were in the process of staggering. deliberation on how to raise those funds when a miracle occurred. They weren't making much progress because they were unwilling to take it to a vote of the people thinking that the people The size of the levy would would turn it down. have been substantial. And I think that they were probably right in the decision at the time. the miracle occurred and Battelle in settlement of a lawsuit, having nothing do with anything that we've talked about, decided to give \$36 million toward the convention center construction. So it was an interesting decision-making process that was proceeded, logically, if anything in the political area is logical. When the process was effect aborted by an outside force the funds to do. what contemplated as the final result of that political process.

In this person's view, Battelle's funding of the center occurred by "chance," not by design. The writer will trace the events to let the reader make his own decision.

Getting back to Metcalf though, he depicted himself as the underdog in the Battelle case not the upholder of justice:

I didn't get a call to go to lunch or an invitation for a speaking engagement, and I usually got a lot of them, when this thing broke. You know, when you kick the big man (Battelle) everyone else in the bar gets under the table.

While Metcalf's case was being appealed in higher courts, the state's attorney general office entered Common Please Court with a case of its own. 26 The attorney general was authorized by state law to regulate charitable trusts. Eventually the actual settlement would be negotiated between the attorney general's office and Battelle, not Metcalf. But his approval would be required in order to terminate litigation in other courts. 27

What are the specifics of the case? In the spring of 1969, then Ohio Attorney General Paul W. Brown along with Franklin County Probate Court Judge Richard B. Metcalf began to examine BMI. Metcalf had asked Brown, in the attorney general's capacity as overseer of charitable trust funds, to determine if the internationally operating Battelle had met its obligation for "charitable contributions" and whether its operations had exceeded the

<sup>26</sup> Columbus Citizen-Journal, 2 September, 1974.

<sup>27</sup> Columbus Dispatch, 3 September 1974

scope of the 49-year-old bequest which began it. Thus instrumentalities of the county and state governments, not the city, would institute proceedings which would shake the foundations of the multi-million-dollar research giant, headquartered in Columbus. A large number of organizations may get involved in the implementation of a policy program. More specifically in this instance, judicial or legal institutions often get involved when certain kinds of activities are to be required or prohibited. And perhaps of equal importance, while city government was not visibly involved, perhaps its influence was manifest through its relations with actors at not only the county, but the state level as well.

From Battelle filings in Probate Court, there was nothing indicating any charitable contribution made by the institute since it opened in 1929. In his investigation, Metcalf discovered that Battelle had made no financial filing for 1968. He also found there had been no settlement hearing for 1967, or any preceding year, as required by law. As a consequence, the judge invited Battelle to a conference to discuss a suitable hearing date. Metcalf's view was Battelle had a duty to establish that its accounting conformed with the directions of the will which established the memorial institute. Battelle's brief statements showed "no distributions to charities as such,"

that the institute's and the judge wanted evidence operations had stayed within the limitations of the will. Attorney General Brown, a party by law to such hearings, wasn't certain at this time of any irregularities, stating, "they may have some detailed accounts to submit. need to know what has transpired over the past 45 years and whether the purposes of the will have been fulfilled." The balance sheet filed by Battelle with the court for the year ending December 31, 1967, listed total assets \$150,080,357 and a total net worth of \$144,655,978. firm's income statement filed for the same period, listed: Income from Trust, \$37,788,248. Research operations -Balance for Facilities, \$1,673,273, was subtracted and the \$36,111,975 balance listed as "provision for scientific and educational purposes of Battelle Will." Net expenditure for land, buildings and equipment was listed at \$12,357,003.

As background, Gordon Battelle, a leading Columbus industrialist, who died in 1923, bequeathed a \$1.7 million trust fund to establish the institute. His mother, at her death in 1925, willed an additional \$2 million to the fund. Metcalf had discovered the charitable stipulation in Battelle's will: 28

<sup>28</sup> Columbus Dispatch, 12 March 1969.

Whenever at the close of any calendar year the income from BMI shall result in a profit of over 20 percent on the principal of this legacy, that said Board of Trustees shall distribute in the name of BMI, the amount of such earning to such charitable institutions, needy enterprises or persons and in such manner and amounts as in their judgment will ФO the greatest good for humanity... If at any time said Board of Trustees shall be satisfied that said Battelle Memorial Institute has been built equipped and provided with such lands, tablets, memorials, buildings, plants, equipment, experts, employees and funds so as to amply insure the purposes for which it was founded and intended... All of the profits over and above operating the expenses...shall trustees)...to distributed by (the worthy charitable objects and enterprises in the same manner as herein before indicated.

The 1920 will also established a six member board trustees. It had authority to file any subsequent vacancy on the board by a majority vote. One of the first board members was Warren G. Harding, then President of the United States. The Ohio State Supreme Court earlier ruled in 1947, that Battelle had to pay Franklin County real estate taxes since its property was not used exclusively for charitable The court's decision upheld that of the county purposes. auditor and the State Board of Tax Appeals. The 1947 decision ruled that, in 19 years, from 1925 to 1944, the institute had a gross income from sponsored research and other sources of more than \$8.9 million plus an endowment income of more than \$3.9 million. It ruled the county then was eligible to collect more than \$33,000 in current and delinquent taxes. Metcalf's investigation also revealed

that Gordon Battelle's will may have outlined a more limited purpose for the institute than its then present worldwide operations. The heir to his father's \$1.5 million plus fortune, directed institute trustees to locate it "in or near the City of Columbus, Ohio," to "education in connection with and the encouragement of creative and research work and the making of discoveries and inventions in connection with the metallurgy of coal, iron, steel, zinc and their allied industries." The industrialist's will referred only to a "site", not sites, for the institute. But Battelle had also written that the institute's purpose should be the discovery of new and advanced metallurgical or other processes and the better education of men for employment in connection with any phase of the work of the coal, iron, steel, zinc and their allied industries.

With vast real estate holdings in the Ohio State University area, Battelle operations in 1969 included other major research centers not only in Columbus, but in Battelle Northwest labs; Frankfurt-Main, Germany; and Geneva, Switzerland. The firm also had a million-dollar nuclear research facility in Columbus, marine research laboratories and a nuclear research center near Daytona Beach, Florida, and operated laboratories at Duxbury, Massachusetts. Ranging through more than 20 free world countries, Battelle had offices in such cities as Lordon, Madrid, Milan,

Washington, D.C., Seattle, Washington, and Los Angeles, California. Battelle was delving into materials technology, the life sciences, marine technology, nuclear technology, economics, the social sciences, and information research.

At the time, it was suggested also that Battelle may be in for scrutiny from the Internal Revenue Service. Also, Congress had began hearings on Battelle-like foundations. Local officials also have access to officials in the federal government.

At the time of the revelation, Battelle's president was "out of town traveling." An available official did express surprise: "They've never said anything to us before... Why has this suddenly come up?" Battelle had donated recently to the Columbus Symphony (\$100,000) and the Center of Science and Industry (\$60,000), and a Battelle board member felt those donations met the will's charity provisions. He responded also that the IRS had submitted no bill for any income taxes, and Battelle had received no notification it would be involved in the congressional foundation investigation.

As related to the preceding, and five years after Metcalf initiated legal proceedings, Battelle, during the

<sup>&</sup>lt;sup>29</sup>Ibid.

summer of 1974, held a series of unpublicized meetings with community leaders and presented the "Battelle alternate" to develop a convention facility in Columbus. 30 The plan, leveloped primarily by Clyde R. Tipton, Jr., then Battelle's vice president for communications, proposed that Battelle, as part of a legal settlement, give up to \$36 million to a new corporation whose sole purpose would be to build and operate a convention center. In turn, Battelle would control three of the nine seats on the new corporation's board, and Tipton himself would be its chief executive. Tipton, a close personal friend and longtime professional associate of Battelle's President Sherwood Fawcett, publicly acknowledged he developed the strategy for the beleaguered corporation, 31 "worked on the plan, put it together. And, yes, at the very outset, I did say that I would like very much to be the president of this company." The civic leaders, in response, with 27 acres of weeds, quickly accepted Battelle's offer. Tipton had been the public relations' voice for Battelle, had served on various charity boards and run a successful United Way campaign. And as one bank executive said, "it seemed natural that if Battelle put

<sup>30</sup> Cook, "Rush to Revitalize Downtown," p. 39.

Columbus Dispatch, 19 June 1977.

up the money, Battelle would call the shots."<sup>32</sup> By Labor Day, 1974, the public knew that Battelle would fund construction of the Ohio Center.

In terms of specifics, BMI in the fall or 1974 offered primary funding of \$35.6 million for the \$73.2 million convention center project. 35 The gift was dependent, however, on a favorable ruling from Franklin County Common Pleas Court that the donation would meet the terms of the will. Under the proposal, the money would be presented to the Community Redevelopment Corporation. Battelle would ask the court to determine if the corporation qualified as a recipient. It would be a nonprofit corporation with the net income going to regular charity. This ruling was necessary because Battelle was involved in the two law suits, one filed by the county; the other filed by the state. Battelle's president said the decision to offer the basic funding was reinforced when the Ohio Center Commission decided not to place the issue of financing the center on the November 1974 ballot. He said Battelle developed the alternate approach to financing as well as an alternate to actual construction. The institute retained Naramose, Bain,

<sup>32</sup>Cook, "Rush to Revitalize Downtown," p. 39.

Columbus Citizen-Journal, 2 September 1974; and Columbus Dispatch, 2 September 1974.

Brady and Johanson Architects of Seattle to design it. firm had designed the Academy for Contemporary Problems and other buildings for Battelle. Costing \$30,000, the design called for bridging the railroad tracks of Penn Central and retaining the colonnade (for historical significance) of Union Station, although the main portion of the building would be torn down. The \$35.6 million gift called for the gift to be placed in escrow and draw interest to cover any inflation cost caused by technical or legal delays. addition to Battelle's contribution, another \$14.3 million would come from federal, state, county and city funds, and an additional \$23.3 million from private developers. Thus, even with a favorable judgment from the court, a number of questions and problems remained. Agreement was needed with the city that it would sell or lease its present holdings at the Union Station to the proposed Community Redevelopment Corporation and acquire the Bogen, Bogen, and Bogen property adjacent to it. Arrangements must also be made with the city and or county for long term operation of the center after it had been constructed. The president also said commitments from the U. S. Department of Transportation for \$9.8 million in matching grants for a parking lot and transportation, were necessary. Finally, arrangements were necessary with private developers to construct the 600-room hotel, cinema, and power plan.

Some new and exciting design concepts for the complex were also revealed.  $^{34}$  Clyde Tipton, vice president of Communications for BMI, said that a number of things could be done for local residents to include an ice hockey rink, a show case for Ohio manufactured products, and possibly a television gallery for production of major television shows. The highlight of the complex would be a Commons building with a 300 foot, pillar-free span that could exhibitions, trade shows, and possibly a national political convention. The hotel would be unique in that it would have skylight that would allow landscaping with trees, shrubbery and flowers in the lobby. Access would available from escalators on High Street at the colonnade location or from a portal park at Naghten and High Streets. A concourse tying all the various elements would connect with the Nationwide Plaze on High Street and could be tied into an overhead walkway if second level sidewalks were ever constructed. The complex would have a twin theater on two separate levels seating 500 on each. It could also be converted into a single 1,000 seat theater through a moving Cubical meeting rooms would be on the outside of the commons and would be convertible into different sizes depending on need. There would also be an outdoor cafe and

<sup>34</sup> Ibid.

parking for 1200 cars or an underground garage as well as another 800 spaces above ground. Platforms for both bus and train riders would be constructed. Provisions had also been made for development of retail shops and stores within the Plans called for additional access from innerbelt and Third Street. One of the primary criteria for the project was that it met the standard of being a general benefit to the whole community and would not upset any segment of the community. Battelle's new design was totally different from the plan drafted for the Convention Center Building Commission. The commission's plan called for a \$47 million facility. The complex, as envisioned by Battelle, would include a transportation center, meeting exhibition facilities, shops, a hotel, a theater underground and surface parking.

As a brief refresher, the legal battle over terms of the Battelle will started in the Franklin County Probate Court and now was in the Common Pleas Court because of a suit filed there. The A court ruling on the suit would be whether Battelle must turn over millions to charity immediately. A reported \$175 million was involved. Battelle and the attorney general had been negotiating issues since legal action started in 1969. When asked if

<sup>35</sup> Ibid.

the gifts were an attempt to appease the court, Battelle's president said he hoped the gesture would improve Battelle's position but, "it's not directly tied to that." Battelle Commons Company, in addition to constructing and operating the facility in its beginning would spend its money for land acquisition, sight preparation, a parking garage, transportation center and the convention center and When the center became viable, it would plaza. transferred to an agency of local government, to the city or the county, which one hadn't been decided yet. A summary of specific the problems facing implementation efforts included: 36

- 1) An agreement with Columbus to sell or lose its present holdings at the Union Station site to the proposed community redevelopment corporation and provision for acquisition of the property contiguous to the city-owned site new owned by the Bogen, Bogen, and Bogen Company.
- 2) Arrangements with the city or county to assure the long-term operation of the Ohio Center after it had been constructed and its viability was demonstrated.
- 3) Appropriate action by the city and county to establish the future role of the Ohio Center Building Commission and the Ohio Center Authority.
- 4) Commitments from the U. S. Department of Transportation for \$9.8 million in federal grants for parking and transportation.

<sup>36</sup> Ibid.

- 5) Agreements from the state, county and city to provide the local share of funds for utilities and access to the center which was estimated at \$4.5 million.
- 6) Agreements for construction of the hotel, cinema, and power plant by private developers, involving an estimated \$23.32 million.

If the court approved the plan, Battelle's \$36.5 million would be available immediately to draw interest for the complex. The Battelle proposal almost coincided with the institute's 50th anniversary. In response, state and county officials supported Battelle Memorial Institute's "Alternate" while reviewing how such a gift benefitted "charitable" institutions, needy enterprises, or persons."37 The firm under the conditions of the will was required to annually distribute to charity all profits in excess of \$340,000 - 20 percent of the founding trust, to "such charitable institutions, needy enterprises or persons and in such manner and amounts as in their judgment will do the greatest good for mankind." Battelle now needed an initial court clearance to qualify the Battelle Commons Company as a nonprofit, charitable endeavor eligible to receive gifts from the parent institute. Both State Attorney General William J. Brown and Franklin County Probate Judge Richard Metcalf who began looking at the legal problems inherent in

<sup>37</sup> Columbus Dispatch, 3 September 1974.

creation of the Battelle Commons Company had jurisdiction A 1970 state complaint against the litigation. Battelle was still pending in Franklin County Common Pleas Court while Metcalf had conducted his own in stigation of the institute since 1969. The attorney general accepted Battelle's convention center plans "in principle" but wanted to look at the legal details. Battelle's announced plans, however, to eventually turn the center over to the city or county could be a problem if it denied other charities the benefits of convention center revenues. Both Metcalf and Brown's assistant said Battelle's announced plans were only one element in establishing overall compliance with the charitable intentions of the will. Other response was quite favorable. Mayor Tom Moody was "absolutely delighted" and considered the offer a "good solution to the financing of the convention center." He also thought Battelle's design concept was a "very good one." Battelle's offer, Moody commented, "Is a commitment to the quality of living in Columbus...and an expression of confidence in the community, both where it is and where it is going." Moreover, the facility would be more than a convention center for use by out-of-towners. It would be a "real asset to the citizens of Columbus." A Franklin County Commissioner said "We are very pleased that Battelle came forth with the offer," and he saw no problems with the county and Battelle agreeing on the project. He also noted, he had known for a couple of months that Battelle was thinking about offering to help build the center. Warren Cremean, executive director of the Convention Center Building Commission, said he didn't have any details on Battelle's proposal. He added, however, that "Any possible development that could build the convention center without going to the taxpayer would be an attractive feature." The director of the Columbus Department of Development was "simply overwhelmed" calling Battelle's proposal a "tremendous expression of confidence in the City of Columbus."

A few days after the proposal was announced, BMI filed a motion in Common Pleas Court seeking approval of the proposal. The motion, which was directed to Judge William Gillies who had been assigned to the case involving the investigation spurred by Ohio Attorney General William J. Brown, asked Judge Gillie to find whether the support of nonprofit organization for community development was a proper recipient of money earned by Battelle under the will. This ruling was necessary before other matters in the case could be disposed of. The limited question in the motion was whether the development, construction, maintenance and operation of a major public facility in Columbus met the

<sup>38</sup> Columbus Citizen-Journal, 7 September 1974.

requirements of the language in the will. It pointed out the center would be developed and located in a blighted area of the near North Side and would become a multi-purpose community center and a transportation hub. In asking for the court's approval, the motion quoted an earlier court ruling that said "chairity" includes not only gifts for the benefit of the poor, but endowments for the advancement of learning, or institutions for the encouragement of science and art, or for any other useful and public purpose. Further

It is obvious from the nature of the project that many problems need yet to be solved and that both the city and the county must take actions to implement the project. However, the very first step and the one essential to permitting this project to proceed is the determination by this court that the proposed nonprofit corporation is a qualified distrubutee under Gordon Battelle's will. We believe that, after appropriate consideration by this court, this motion should be sustained.

Earlier the same day, the Franklin County prosecutor asked Probate Court Judge Richard B. Metcalf to rule on whether trustees of BMI had been legally appointed and were serving legally as required by a 1932 state law. <sup>39</sup> The method of selecting the trustees was set up by the late Gordon Battelle in 1925. The prosecutor said, however, that a revision of the state law in 1932 required that the naming

<sup>&</sup>lt;sup>39</sup>Ibid.

of trustees be approved by the Probate Court, and the court had never made such approval. He wanted to know if the trustees were serving legally so he could decide whether Battelle's offer was legal. An attorney and investigator for Probate Court, charged earlier in the year trustees were not legally appointed. Meanwhile, investigation into the use of funds by Battelle was scheduled to begin 1 October 1974 in Probate Court unless it was blocked by the Ohio Supreme Court. Battelle attorneys maintained that only the Ohio attorney general had the authority to investigate the trust established by Battelle.

During this period the gift proposal picked up supporters, as a newspaper editor endorsed the idea as a big push for the center:  $^{40}$ 

The more you study Battelle Memorial Institute's offer to pay nearly half the cost of a convention center at Union Station the more appealing the proposal becomes. It is an exciting offer - one that could benefit the Central Ohio community immeasurably in both he short and the long term It certainly deserves serious consideration and action by all concerned. Overall, reaction to Battelle's unique offer has been favorable, as it should be. But there appears to be some feeling that the proposal carries with it a 'quid pro quo' - that in exchange for its gift Battelle would be relieved of additional donations to charity that may be required under terms of Gordon Battelle's will. Actually there is no basis for feeling. In fact, in discussing the proposed gift the convention center, Dr. for Sherwood

<sup>40</sup> Columbus Citizen-Journal, 7 September, 1974.

Fawcett, president of Battelle, said: 'Battelle believes it is most appropriate because of the importance of the project to Columbus' future and because of the large number of residents from all walks of life who will benefit from the center. The fact that the center, as Battelle envisions it, will be a major continuing benefit to the City of Columbus enhances its value as a living, long-term charitable asset to the community.' These considerations have been important in Battelle's decision concerning the center, and they will weigh heavily in any future large charitable or community-benefit projects that Battelle elects to spearhead.

By late September 1974, the Ohio Attorney General announced support of the proposal providing the court order spelled out the following specific restrictions: 41

- .If it provides that articles of incorporation for the proposed nonprofit community urban development corporation make it a charitable trust subject to continuing supervision by the attorney general.
- .If the proposed corporation obtains federal income tax exemption and a ruling it is not a private foundation from the Internal Revenue Service.
- . If articles of incorporation insure no part of the proposed firm's earnings benefit or be distributed to trustees, officers, and members of the firm of Battelle.
- .If the incorporation articles require the proposed firm's trustees to manage the proposed convention center in perpetuity and, in the event the corporation dissolves, to distribute all assets to charitable causes in the Columbus area subject to court approval.

<sup>41</sup> Columbus Citizen-Journal, 20 September 1974.

The attorney general's motion maintained the above restrictions and others were "absolutely essential for such a corporation to qualify as a possible distributee" under the Gordon Battelle will. In his motion, the attorney general also said while he would support a court finding the convention center proposal would be an eligible recipient of funds, he would oppose a ruling now in favor of any grant Battelle would make to the project. The motion stated:

The attorney general believes it would be entirely inappropriate for the court to decide at this time whether a specific grant to such corporation would qualify.

It also stated much more information from Battelle regarding the proposal was needed and the attorney general would insist on completely reviewing the idea before a specific grant should be considered. The motion raised numerous questions about the proposal, including assurances that funds would be forthcoming from government sources and private developers to complete the project, the date to which costs proposed are valid, and who would bear the additional costs if overruns occur.

By early November 1974, however, Franklin County Common Pleas Court Judge William T. Gillie issued a ruling that a nonprofit corporation to build a convention center

with the Battelle gift was proper under the terms of Gordon Battelle's will. 42 Gillie, however, reserved for the court's approval, the details of the corporation. He noted, too, that the corporation must satisfy the conditions laid down by Ohio Attorney General William J. Brown. With this news, BMI officials announced the start of meetings to plan for the nonprofit corporation. Clyde R. Tipton, Jr., then still Battelle Vice President for Communications, said trustees of the commons company would be "substantially independent" of the institute. We don't know the exact number, but if there turns out to be nine trustees, six will be from outside Battelle. Also at this time Columbus' City Attorney said the present Convention Center Building Authority would probably be disbanded if responsibility for building the convention center went to the commons company. At the time, Tipton said it was not clear who would operate the center, and BMI officials refused to speculate on when the commons corporation may come into existence and when progress toward the center would be visible. It was also at about this time that citizens learned that while the commons company would build the center and take the city off the financial hook for center construction, Columbus city government might still have to spend up to \$35 million for improved roads,

<sup>42</sup> Columbus Dispatch, 5 November 1974.

Union Depot area. The estimate was made in a City Council meeting by the city service director who informed council that construction of the Nationwide Insurance Company's skyscraper complex near North High and Chestnut Streets would also require city capital expenditures.

By mid-November, Battelle Commons officials had no idea when construction of the center could be started with four primary reasons as to why not:  $^{43}$ 

.Battelle must first negotiate with the city to acquire the Union Station site where the center was to be built;

.Some commitment was needed from the federal government to assist in financing the other half of the center;

.Battelle Commons must acquire private hotel and theater builders; and

.It must negotiate with railroad officials about when they could begin construction.

As mentioned above, the convention center issue had come up again in the previous week when Common Pleas Judge William Gillie ruled it was legal for Battelle to giv. \$36.5 million to the nonprofit corporation, but the state's attorney general had still not consented. Tipton's response was "Judge Gillie's decision that our gift to the nonprofit

<sup>43</sup> Ohio State University Lantern, 12 November 1974.

corporation which we are forming is in accordance with the will." He also stated Gillie would closely observe and set guidelines on how the corporation would handle these funds. The corporation, called "Battelle Commons Company for Community Development," would direct construction of the center, manage it once it was completed and direct future community development projects. At the time, Tipton also provided four reasons why Battelle was interested in investing so much money in the convention center project:

.The project, a massive capital investment, would create 1,000 new jobs;

.It would infuse \$50 million in cash-flow into the city's economy;

.It would provide a needed community facility; and

.211 of the net profits from the center would go toward further community development.

Before Battelle decided to form this community development corporation and before Judge Gillie's decision, two city organizations directed the Convention Center project: the Convention Center Building Commission (Franklin County Building Commission) and the Onio Center Authority. 44 The Columbus City Attorney said because Battelle would soon take over the convention center project, the Building

<sup>44</sup> Ibid.

Commission and Center Authority would be dissolved. At the City Council meeting on 4 November, he said, "I honestly believe most of what we've put together for the last few years will have to be dismantled." Building Commission President Warren Cremean's response was the commission had already spent \$75,000 in planning the center, and Battelle would find these plans beneficial and useful. reply was Battelle had no use for these plans, and "We already have our own plan setup." The attorney said the money the Building Commission spent on the center research "is not wasted; much of the information gained by the commission will useful be to many city government departments as well as private interests." Tipton's future projections were that once "procedural differences" between Battelle and the state attorney general's office were worked out, the Battelle Company for Community Development would have some idea when construction would begin. differences were not considered serious, and he hoped they would be decided in the near future. Meanwhile, funding sources for the remaining \$35.8 million remained unknown, and Tipton said federal, state, city, and private funds would probably be acquired. Asked why Battelle did not just give the money they were donating to the city and let them handle it, Tipton said, "We want to see this thing built. We are forming a nonprofit corporation and giving them the

money so we can control the center and give its profits to community development." This issue of control, as we will see, would become a major stumbling block causing future delays in the project's implementation.

While the center negotiations continued, unveiled in late November, a massive transportation program that would be developed in conjunction with the \$72 million convention center at old Union Station. 45 The plan, which would include an ultramodern transportation center capable of handling all methods of transportation from pedestrian traffic to a high speed shuttle train, was explained to Columbus business and government officials in a series of seminars. COTA officials hoped to drum up local support for the proposal before they went to Washington in search of federal money to finance it. While neither dollar figures nor exact timetables had been revealed, COTA officials were talking in terms of seeking a property tax of up to five mills or a sales tax of up to 1 1/2 percent after 1976 to help finance the project. COTA would eventually have to generate some local money to get matching federal funds. Much of the federal money would probably come from \$23.6 million available over the next six years under the newly adopted federal transportation bill. The bill allowed

<sup>45</sup> Columbus Dispatch, 22 November 1974.

communities to use federal funds for operating and capital improvement expenses for transit systems. transportation center would serve as the traffic hub for the convention center, The Battelle Commons hotel project, the Nationwide Insurance Company complex, and most of the Downtown core, explained COTA's board president. included highways, bus loops, parking areas, pedestrian walks and access to trains. In his presentation to Columbus and suburban officials, the board president outlined shortrange plans that included improvements to streets around Union Station, possible construction of a ramp to Third Street from Goodale Street, and access routes from the North Innerbelt to other freeways. said medium-range He improvements should include completion of bus loops Downtown and development of the I-670 freeway that would link Downtown to Port Columbus. Also, improvement of the North Innerbelt to bring it up to current freeway standards and development of pedestrian facilities along High Street, should receive medium-range priority rating. In his view, the initiative was a bold program to allow the city to proceed with long-range plans to include a state-wide, high-speed rail service, parks along the transit route and a people shuttle within the pedestrian area along High Street.

The mayor quickly pledged support at a luncheon meeting with city and county official: from "all the forces

of the administration" to help COTA develop its massive transportation center at the Battelle Commons convention center project. 46 COTA's board president, who had earlier outlined ideas for the facility, which would become the juncture for rail, bus, and rapid transit, also pointed out that the convergence of rail right-or-way with High Street, the main stay of the COTA bus system, at the Union Station site plus the close proximity of the freeway system made it the logical site for a transportation center. Preliminary plans drawn by the Seattle architectual firm employed by Battelle, called for preservation of the historic Union Station colonnade as an entrance way to the transit center. Links to the facility from the future pedestrian oriented High Street would come by overhead walkway from Nationwide Plaza at the northwest corner of Naghten and High Streets and the northern terminus of a downtown loop shuttle bus service the president said. The concourse level would include home offices for COTA and AMTRAK as well as ticketing facilities for all modes of transport, including airlines which would be linked by rapid transit service. Among necessary traffic pattern improvements, would be completion of the proposed Naghten Boulevard project, widening of Goodale Street, modification of Third Street at

<sup>46</sup> Columbus Citizen-Journal, 22 November 1974.

the Innerbelt intersection, and completion of proposed east and west connectors to the I-670 project. COTA's board president told the officials, "We know of no region with this opportunity and we would be remiss if we did nothing to make it a reality. We must seize this chance or lose it forever." The mayor responded, "This plan will be regarded by many as bold and beyond the reach of the community. feel it is not beyond the reach of the city." In comments after the meeting, City Council President Portman pledged support of the legislative body to meet that of the mayor for the proposal: "Whatever we can do to expedite it, we will." Also lending support were the County Commission Chairman and Mid-Ohio Regional Planning Commission Director. The latter, whose agency did COTA's planning, said, "We feel it's such a unique idea that it will open up all kinds of federal funds to which we'd not have been entitled before."

In mid December 1974, it was announced the Board of Trustees of BMI would meet to consider approving establishment of a corporation to build the \$73.2 million convention center complex. <sup>47</sup> At the time Clyde Tipton told the Convention Center Building Commission that the board's agenda included a proposal to establish the corporation to

Columbus Citizen-Journal, 12 December 1974; and Columbus Dispatch, 12 December 1974.

oversee the building of the center. The corporation would be steered by a nine-member board of trustees: three to represent Battelle and six others outside Battelle but appointed by Battelle. Tipton recommended that commission stay in business until the corporation reached an agreement with the city and possibly until construction contracts were signed. Earlier that week, the Convention Center Building Commission had met and announced intentions to continue at least a skeleton operation until BMI's proposal became a reality. Commission members agreed they should not be too hasty to dissolve the commission in light of unanswered legal and organizational problems still facing the memorial institute. Commission Executive Director Warren J. Cremean said that should something happen to prevent Battelle from carrying through its plan, "the building commission would have to step in once more. If this had been dissolved, there would be some problem reorganizing and taking over. He also noted the commission had a contract of intent with the city to build the center which would continue until such time as Columbus City Council approved a superseding agreement with Battelle. "Presumably, any legislation that conforms with the proposal made by Battelle would rescind all former legislation and presumably, there would be a point beyond which the commission could decide whether to dissolve itself," Cremean

said. He added that commission work toward building a center during its three-year existence had not been wasted and that Battelle was taking advantage of everything accomplished. Mayor Tom Moody agreed and called for a skeleton organization, saying, "It would be foolish for us to step down right now and deprive Battelle of this service and then possibly have to start all over again." The mayor said he would not recommend "something to the City Council that this commission would not approve." One commission member, one of Columbus' most influential bussinessmen, asked how the building commission could be assured that what it wants built will be built and "not just what Battelle wants." Another commission member also suggested that it might be a good idea to have someone outside Battelle, perhaps the mayor, make some of the appointments to the board of the convention center corporation. unanswered legal questions regarding Battelle, the County Prosecutor termed dissolution of the commission "premature." Early on a problem of trust was occurring. response was that hopefully, Battelle would form corporation sometime after the first of the year, name trustees and get moving, but he was unable to provide any concrete timetable. He said negotiations were continuing on several stipulations regarding mechanics of the corporation, sought by the Ohio Attorney General, and required to be

resolved by Common Pleas Court. Tipton added Battelle's board of trustees would vote on authorization for the institute to proceed with the project once legal questions were resolved. The firm guaranteed the city 50 percent of all gross receipts and a minimum income of \$750 per month, while stating it would take sole temporability for any necessary improvements. Earlier, Battelle proposed that the corporation buy the 27 acres owned by the city at the Union Station site. Tipton said now the corporation might lease the land from the city instead.

The Battelle Board of Trustees met at the end of the week, set up the corporation to build the convention center, and hoped to break ground by early 1976. At the meeting, the board authorized Battelle officers to proceed with the formation of the Battelle Commons Company for Community Urban Redevelopment under the new Ohio Revised Code section which gave a tax break to a corporate enterprise for community urban redevelopment. Birth of the firm was not expected until after January 1, 1975 because of the legal work involved. The Common Pleas Court ruling in November said the Battelle proposal would be a proper charitable disbursement in accordance with the institute's founding will. The court also stipulated Battelle attain court

<sup>48</sup> Columbus Citizen-Journal, 14 December 1974.

approval of the nonprofit corporation structure before incorporating. Battelle attorneys announced they had also been negotiating a number of stipulations the Ohio Attorney General wanted to resolve before he would agree to any firm proposal taken back to court. Construction of the convention center at the Union Station site could begin by late 1975 or early 1976 "if everything went exquisitely well," Tipton said. The corporation also would have to decide whether to buy or lease the 27.5 acres owned by the city at Union Station.

As the status of the new corporation was being worked out, the meaning of the earlier COTA proposal became clearer, when on 18 December, COTA's executive director announced legislation recently signed by President Ford made Columbus eligible to apply for millions of dollars to help build the Ohio Transportation Center in the proposed Convention Center. <sup>49</sup> At that time, the President had just signed the AMTRAK Improvement Act for 1974 which among other things provided \$15 million for development of railroad stations that were on the National Register of Historic Places. Union Station on the site of the Convention Center was on the register. The money could only be granted to stations that were being converted into terminals for

Columbus Dispatch, 18 December 1974.

multiple modes of transportation. The Ohio Transportation Center would be a terminal for both buses and trains. At the time, it could not be estimated how much money Columbus could get, but Union Station was among only a few in the country that could meet the requirements for the funds. As part of the proposal, the executive director said COTA would add the railroad station conversion money to the list of possible funding for the center. Other federal and state grants for transportation and money pledged for building the convention center by BMI were already on the list. At this time plans included preservation of the historic arcade of pillars in the front of Union Station, and building of the convention center on top of the AMTRAK tracks which passed through the Union Station property.

As the new year started, the main concern continued to be ligitimation of the new redevelopment corporation. Signs that this was not too far off were revealed in mid January 1975, when the nine members of the board of trustees that would build the center were announced. The trustees would steer the BCC, the corporate entity which would oversee building of the convention. The composition of the

<sup>50</sup> Columbus Dispatch, 15 January 1975.

board was six representatives from the community, and three from Battelle, all primarily businessmen in the city. Those from the community were

John E. Fisher, president and general manager of Nationwide Insurance Companies;

Daniel M. Gallbreath, associate of John W. Gallbreath and Company;

Jack Gibbs, executive director of the Metropolitan Career Center;

John R. Hodges, president of the Central Labor Body, Ohio AFL-CIO;

Robert Lazarus, Jr., executive Vice President of F & R Lazarus Company; and

John W. Wolfe, Chairman of the Board of the Ohio Company.

## Representing Battelle were

Paul T. Santilli, Vice President and General Counsel, for Battelle;

Clyde R. Tipton, Jr., Vice President for Communications for Battelle; and

Rear Admiral Grover C. Heffner, who would be joining Battelle following his retirement in April as Director of the Defense Construction Supply Center. (Heffner would become Assistant to the President of BMI, coordinating community affairs. He would also represent Battelle on the BMI Foundation, which was being created to distribute Battelle funds to charitable organizations.)

The BMI announcement concluded by stating the BCC would be incorporated that week.

By late February 1975, the Columbus City Council had designated the union Station area as a blighted area. <sup>51</sup> The newly established BCC set up under the Ohio Revised Code was now able to redevelop an urban area that had been designated "blighted," and also as a nonprofit corporation was allowed a 25-year tax exemption and could seek government funds to assist the redevelopment. The corporation planned to apply for millions of dollars in state and federal grants.

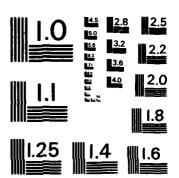
Most importantly at this time, however, Tipton announced that meetings of the board of trustees would not be open to the public or the press. <sup>52</sup> His statement to the press was that meetings of the nine-member board would be secret because "It's a statutory corporation as opposed to a public body." Under Ohio law, at the time, all official businesses of public bodies had to be conducted in public meetings. However, the loophole was that those bodies could meet privately in "executive session" to discuss and decide issues. <sup>53</sup> Tipton added, however, "It's for a public purpose." As background, the corporation would soon enter into negotiations with the city of Columbus on a lease agreement contract for the Union Station 27-acre tract.

<sup>51</sup> Columbus Dispatch, 25 February 1975.

<sup>&</sup>lt;sup>52</sup>Ibid.

Ohio State University Lantern, 12 March 1975.

URBAN REDEVELOPMENT AND THE STRUCTURE OF POMER: THE IMPACT OF PRIVATE INT. (U) AIR FORCE INST OF TECH WRIGHT-PATTERSON AFB OH A ANDREWS 82 AFIT/CI/NR-82-60D F/G 5/4 3/9 AD-A121 573 UNCLASSIFIED NL



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS-1963-A

Tipton said a contract between the city and the corporation "would not make board meetings public meetings." He said under the provision of the state statute there "is no requirement that meetings be open to the public. But, most of what we do will be disseminated." Tipton as one of the board's members was also in charge of information dissemination.

As negotiations continued, Warren Cremean, executive director of the Convention Center Building Commission (CCBC), in a meeting among representatives of the city, county, BCC, and the CCBC announced in early March, BCC would submit a proposal to the city within 90 days to allow use of city owned land for the \$70 million complex. Also indicated was that the agreement would outline a long-term lease for the city owned property with the city attorney drafting proper legislation for the transfer. Cremean also said that following completion of the land agreement, the panel would be dissolved, and he contemplated joining BCC after the CCBC was dissolved.

By the second week in April 1975, the city and BCC were nearing agreement. <sup>55</sup> In a BCC meeting, Richard Lasko of BCC announced the City Attorney's office would introduce to

<sup>&</sup>lt;sup>54</sup> Columbus Dispatch, 7 March 1975.

<sup>55</sup> Columbus Dispatch, 11 April 1975.

City Council a resolution of intent to enter agreement with BCC--this being the first legislation designed to allow the building of a Columbus convention center on the Union Station site. After the legislation was passed, BCC would begin negotiations with the city that would allow for the construction of the center. meeting, which represented the first talks between the company and city on design problems, Lasko described a preliminary design of the center to city officials. design included a COTA transportation center, an exhibition hall, a triangular shaped hotel, and an auditorium and parking facilities. The main problem at the time was the impact future construction would have on traffic along High, 3rd, Naghten, and 4th Streets. While the city wanted a fire station in the complex, other plans still suggested the complex would be built over a huge tunnel which would allow for AMTRAK lines and for the building of a rail line linking Columbus, Cincinnati, and Cleveland. The center would also be linked by a freeway with the airport, and in the future a Plans, in addition. included rapid rail system. commemoration of the country's bicentennial near the Union Station facade along High Street. The facade was to be preserved.

On Monday night, 14 April 1975, the city took another official step toward legitimating the proposal. <sup>56</sup> The Columbus City Council took its first step toward cooperating with BCC, when the former passed a resolution of intent to include an agreement between the city and the BCC for development of the site. Under terms of the agreement, BCC would submit a development plan to the council and the city's mayor within 30 days. At the core of the plan would be a contract by which the city would donate the land to BCC, enabling the city to thereby retain control over the project. According to the city attorney, the resolution simply expressed a desire of the city to go forward with negotiations. Of significance, the resolution was the first official act by the city regarding Battelle's involvement in the project.

With the convention site path clearing, Warren Cremean, head of the Franklin County Convention Center Building Commission, the public agency formed to build the center was named at the beginning of May, a vice president of BCC, to join the private firm once a land contract was agreed upon between Columbus and BCC. <sup>57</sup> In response to the appointment, Cremean said he would "team" with several

<sup>56</sup> Columbus Dispatch, 15 April 1975.

<sup>57</sup> Columbus Dispatch, 1 May 1975.

officials from BMI to steer and coordinate construction of the proposed project. After the land agreement, the building commission would be dissolved, and Cremean would assume his new task which would be essentially the same as in his capacity as executive director of the CCBC. This included seeking federal grants, coordinating planning and desired engineering designs, and coordinating with the city and the nearby Nationwide Plaza construction projects in planning area improvements. At this time, Tipton named Cremean and other officers as well as his own election as president of BCC. Other officers included Richard T. Lasko, former Battelle urban affairs coordinator, vice president; Thomas R. Mason, an accountant with Peat, Marwick, Mitchell and Co., treasurer; and Paul T. Santilli, Battelle Commons trustee and Battelle general counsel and vice president, secretary. Rear Admiral G. Chester Heffner (USN Ret.), was elected chairman of BCC's Board of Trustees. Tipton also announced the firm had began operating with a small initial staff in an office location near the convention center site, since business would be conducted there and to emphasize BCC's separate identity from BMI. Tipton had also retained the law firm of Vorys, Sater, Seymour & Pease as counsel; the firm of Ernst & Ernst as certified public accountant, and Atkinson-Dauksch as insurance counsel. Planning for groundbreaking as a bicentennial observance on 4 July 1976,

Tipton next intended to select a local architectural firm to work with the Seattle, Washington-based company of Naramore, Bain, Brady and Johanson.

A week later, BCC was set to go. 58 At the end of the first week in May 1975, Franklin County Common Pleas Court approved the \$80 million BMI charitable trust settlement described as one of the largest, most complex litigations in Ohio's history. The legal conclusion which had been preliminarily announced 8 January 1975, involved execution of 10 court orders in Probate and Common Pleas courts as well as the Ohio Supreme Court. The settlement agreement was announced by the new state Attorney General William J. Brown, Battelle President Sherwood L. Fawcett, Probate Judge Richard Metcalf and the Franklin County Prosecutor. Gillie had also given his approval after getting a recommendation from Battelle attorneys and representatives the state's attorney general and Franklin County Prosecutor. The orders gave judicial approval to Battelle's \$46.8 million tax settlement with the Internal Revenue Service and required Battelle to pay some \$330,000 in legal fees on the Probate Court case filed in 1969. The settlement further required Battelle to make a one-time, \$62.5 million distribution of its assets to charitable

<sup>58</sup> Columbus Dispatch, 8 May 1975.

endeavors and public projects and submit in the future to trust supervision by the Common Pleas Court and attorney general. Although the basic terms of the settlement were announced earlier in January 1975, the court action provided new detail on how Battelle would distribute the \$62.5 million. Under terms of the agreement, Battelle's past obligation to outside charities was set at \$80 million, based on a comprehensive tabulation and review of the Institute's financial performance. Distribution to satisfy that obligation was as follows:

- .\$36.5 million to BCC, to assist in building the Columbus Convention Center.
- .\$21 million to various charities, including BMI Foundation, which was being created to distribute funds to worthy charitable enterprises.
- \$8 million to on-going Battelle Energy Program for research and development of new and more effective energy sources.
- \$7.5 million to convert Battelle's Academy for Contemporary Problems into an independent public foundation which involved divestiture of the academy's physical plan valued at \$2.5 million and an endowment of \$5 million.
- .\$7 million which had already been contributed by Battelle during the past to worthy charitable enterprises.

Action taken by Judge Gillie involved terminating involvement of the Franklin County prosecutor and his intervention and separate court suit, by mutual agreement.

Judge Gillie's finding was that "Battelle is now complying with terms of the Gordon Battelle will and Ohio law." He added, the process set up for the future was in compliance with terms of the Battelle will and Ohio law. There also was a provision in the decree for disputes that might arise to be brought to court if they couldn't be settled by arbitration. According to the Attorney general's office, accrued interest and unrealized appreciation on stocks and bonds set aside by Battelle on 1 January to satisfy the \$80 million obligation had increased the actual amount available to charities by several million dollars. And, according to the settlement, all accrued interest and unrealized stock and bond appreciation would go to the BMI Foundation and the convention center. To satisfy future obligations to charity under terms of the 1923 will of the institute's founder, Battelle was required to distribute annually certain percentages of its income from both business and nonbusiness operations. Business operations were defined as scientific research and development activities while nonbusiness operations were management and investments of the institute's securities portfolio, real estate rental, sale of patents and other non-scientific activities. Excluding investments, Battelle's business assets for 1973 totalled \$106.7 million. Therefore beginning with 1975 Battelle was required to give to charity from 5 per cent to 100 percent

of its net business income, depending on the amount of income achieved. For example, up to the \$3 million net income level, Battelle was required to distribute 5 percent of its net income to charity. If net business income was between \$3 million and \$7 million, the responsibility to charity would increase to a base amount of \$150,000 plus 10 per cent of the net income in excess of \$3 million. responsibility to charity would reach 100 percent when net business income was in excess of 20 percent of the principal of the Battelle legacy, which was established in the compromise at \$106.7 million. In addition, beginning in 1978, the formula required Battelle to distribute a minimum of \$165,500 a year to charity, whether the business activities of Battelle resulted in any net income. agreement also called for distribution of 25 percent of Battelle's net non-business income annually.

One who was not so pleased with the decision was Franklin County Probate Judge Richard Metcalf. <sup>59</sup> He objected that Battelle had in January promised an initial \$21 million endowment for the foundation. Metcalf was also unhappy with Battelle's delays in establishing the new foundation. He agreed earlier to allow transfer of the Battelle case from his court to Common Pleas Court but only on condition

<sup>&</sup>lt;sup>59</sup> Columbus Dispatch, 7 May 1975.

Battelle move rapidly "within the week" to establish the foundation and transfer the funds. Battelle's chief counsel, said the foundation would be incorporated within two weeks and funded initially with \$1,000. Once the Internal Revenue Service granted tax exemption, a process that usually took a month, the foundation would be fully funded with about \$15 million, he said, while denying that Battelle had promised \$21 million. In arriving at the settlement terms, the attorney general's office concluded Battelle's net worth in 1973 was \$274 million, including \$107 million in property and facilities at acquisition cost and an investment portfolio valued at \$162 million. outcome of the judgment order that acknowledged that the \$80 million state settlement, on top of the \$46.8 million tax settlement and heavy investment losses resulting from the then current recession, was the taking of a huge bite out of the institute's financial base. "In reaching its decision, the court has been aware that its decision herein, while leaving Battelle sufficient capital to remain viable, reduces that capital to a minimum level in terms of future viability," the order stated. Battelle's investment portfolio, which reached a peak of \$166.3 million in 1972 was reduced to about \$28 million in 1975 because of the slumping market and the tax and charitable trust settlements according to the firm's president. He added that he

expected the investment fund to drop to about \$12 million over the next few years as the institute withdrew savings to finance current operations. Battelle's contract research program had operated at a loss since 1970, according to figures filed at the court hearing, and the institute reported that during 1974 its investment, real estate and patent programs also operated at a loss. The settlement represented a compromise with Battelle in that it based the institute's charitable obligation not on the original \$3.7 million legacy but in relation to Battelle's total business assets, such as laboratory plant and equipment. Excluding investments, these direct business assets for 1973 totalled \$106.7 million. Under terms of the settlement, therefore, any profits in excess of 20 percent of these business assets had to go 100 percent to charity. Because Battelle had been losing money rather than realizing profits on its business operations this provision was not expected to require any charitable expenditures.

Distribution of the \$62.5 million was as follows: 60

Academy for Contemporary Problems - \$5 million endowment, plus 200,307 for interim operational costs.

Institute of Chemical Engineers - \$2,000 BCC - \$36.5 million

Battelle Foundation - \$15.4 million

<sup>60</sup> Ibid.

Boys Club of Columbus - \$5,000 Boy Scouts of America - \$150 Buckeye Boys Ranch - \$500 Capital University - \$2,015,000 Children's Hospital - \$2,500 Citizens' Research - \$1,000 Columbus Area Development & Training Schools, Inc. - \$1,500 Columbus Foundation - \$2,025,000 Columbus Gallery of Fine Arts - \$15,000 Columbus Symphony Orchestra - \$10,500 Columbus Urban League - \$500 Columbus Zoological Society, Inc - \$500 Creative Living - \$31,875 Engineers Foundation of Ohio - \$3,600 Godman Guild Association - \$600 Goodwill Industries of Central Ohio, Inc. - \$100,500 Greater Columbus Arts Council, Inc. - \$1,000 Hanna Nert Home for Children - \$25,000 Junior Achievement of Central Ohio - \$1,000 Mid-Ohio Health Planning Federation - \$1,000 Ohio Academy of Science - \$7,815 Ohio Civil Rights Commission - \$4,000 Ohio Dominican College - \$100,000 Ohio Federation of Music Clubs - \$3,000 Ohio Foundation of Independent Colleges - \$11,000 Ohio Society for the Prevention of Blindness - \$400 Ohio State Fair - \$300 Ohio State University - \$1,000,000 OSU Department of Engineering - \$50,000 Police Athletic League of Columbus - \$1,000 Franklin County Senior Citizens Placement Bureau - \$1,000 Shiloh Baptist Church - \$1,000 Society for Technical Communication - \$6,000 Trinity Episcopal Church - \$750 United Negro College Fund - \$7,000 United Way of Franklin County - \$83,315 Urban Education Coalition - \$1,000 WCBE-FM Music Room - \$1,000 Wilberforce University - \$10,000 Accounting, Administration, Investment Counseling - \$30,597

A mid-May <u>Columbus</u> <u>Dispatch</u> editorial captures the community's response to the settlement: <sup>61</sup>

Formal Court approved to an \$80 million settlement the Battelle Memorial Institute charitable trust case effectively lifts a barrier to progress of both the institute and the Greater Columbus community. Years of nagging litigation have been consumed regarding whether the institute properly complied with the charicable intentions embodied in the will of the late Gordon Battelle. the credit of to representatives Battelle, county courts, the prosecuting attorney and the state attorney general that a Franklin County Common Pleas Court Judge was able to happily sign the final disposition. Special credit should go to Judge Richard Metcalf of the Franklin County Probate Court who shepherded the case since he instigated the litigation in 1969. At the outset, Battelle will make a \$62.5 million contribution of his assets to local charities and public projects. Thereafter, the institute is to be subject to trust supervision provided by the court and the attorney general. Because of in institute's alterations necessary the bookkeeping procedures, complicated by a \$46.8 million bill in federal income taxes, Battelle's charitable contributions in the immediate future will be nil. Because of the settlement and a Battelle's slumping stock market, investment portfolio has slipped in value from a peak of \$166,3 million to a more recent total of \$28 million. However, any firm which has been able to grow from a staff of 20 and orders of \$71,000 to organization of 5,300 and contracts worth \$125.7 million is one which cannot be expected to falter in the long run. That very growth picture labels Battelle as a continuing major contributor to its own role in world scientific research as well as to the Columbus community. Not far down the road, Columbus will be seeing a large mark made by Battelle-the creation of the long-sought badly-needed Columbus Convention Battelle has earmarked \$36.5 million as seed money

<sup>61</sup> Columbus Dispatch, 13 May 1975.

for the center, estimated to cost a total of about \$73.2 million. The formal signing of the Battelle legal document was far more than ceremonial. It established the fact that Battelle Memorial Institute not only will continue to be the world's largest independent research organization, but that it will be a perpetual partner with the community wherein it had its roots.

Was Battelle's gift fortuitous? Perhaps we will never know. But in the opinion of many, including an influential city politician, "Battelle's gift is the reason "why the convention center is underway and steel and concrete grow everyday." And the response of a person who was long involved directly with the project responded to the writer:

Their offer to do that was very good for the city - the decision to have that money earmarked, rather than to be passed out on Columbus street corners to everybody in Columbus who made less than \$5,000 per year, as one person suggested.

## Summarv

Usban redevelopment programs continue to be controversial subjects of policy-making in the United States. But they illustrate well a number of factors key to the development of such programs. In 1945, Columbus began planning to build a facility to make the city more attractive to conventioneers. Built in 1956, the Veterans Memorial Auditorium was only five years old, when conceptions for another and newer facility were started. In 1968, with planners taking the lead in problem definition, a

series of activities were begun to get the new facility identified as one which government would pay attention to as a problem area. By the end of 1971, the item had become a community concern—in the spring, the Ohio Center Commission had articulated initial plans for construction, and by November 1971, the electorate had approved a \$6 million bond issue. But efforts to mobilize support must continue since some important institutions in the community were not yet involved.

After site selection the principal problem became one of building a coalition to pursue a strategy successfully to finance the center's construction. While this strategy was being forged, various alternatives were formulated to finance the center, but none were legitimated, i.e., general obligation and revenue bonds, hotel-motel tax, property tax. The alternative to be eventually accepted was more complex, more sophisticated, and not a public strategy of public financing. One of the things we learn is sometimes formulation and legitimation tends to take place invisibly except to those individuals and groups most directly and immediately affected. In this instance, a number of activities had to take place to formulate alternative that would build a winning coalition to legitimate the proposed policy. For by 1975, a coalition of support had been mobilized to accept one seriously considered policy alternative: the requirement for Battelle to finance the center.

Why was it necessary to mobilize support to acquire the resources? Resource problems will always be central, but more importantly, where the federal government has moved away from innovative public spending programs, urban policy makers have had to focus on new resource strategies. For instead of leading to decisions about how to allocate new expenditures, the resource problem now often leads decisions in which all players must lose something, or in which the city government gets involved in redistributing existing resources from one set of interests to another. the 1960s, the federal government would pay as much as 75 percent of the total cost of a redevelopment project. Such was not the case in the 1970s. Resources had to be found. Battelle had them, and they had to be convinced to pay their share in community development. Private profits would be converted into collective goods. To obtain the resources Battelle was (1) convinced that it had a sense of obligation to the community, (2) its previous alternative of minimal financial involvement in the community was no acceptable, and (3) it would therefore be induced to select as a preferred or least objectionable alternative the one chosen for it by the influencers. To influence Battelle, a set of relationships were established through which its resources were reallocated, although in a compromised agreement. For usually the key to success for whichever view prevails is twofold: Coalitions supporting and opposing versions of the proposal must be built, and compromises must occur that will allow one coalition to become strong enough to prevail.

Eventually the federal government (Internal Revenue Service, U. S. Congress), state government (Ohio Legislature, Ohio Attorney General's office), county government (probate and common pleas courts), and city government, all became involved in a series of activities which would lead Battelle to bring its autonomous resources into the fold and become "a perpetual partner with the community wherein it had its roots."

Building on Lowi's conceptions, Ripley has developed four types of policies:

Distributive Policies: Those aimed at promoting private activities that are said to be desirable to the community, as a whole and at least in theory, would not or could not be undertaken otherwise. Such policies and programs provide subsidies for those private activities and thus convey tangible governmental benefits to the individuals, groups, and corporations subsidized.

<u>Competitive-Regulatory Policies</u>: These policies are aimed at limiting the provision of specific goods and services to only one of a few designated deliverers who are chosen from a larger number of competing potential deliverers.

Protective Regulatory Policies: Those designed to protect the public by setting the conditions under which various private activities can be undertaken; conditions that are thought to be harmful and hibited; conditions that are thought to be helpful are required.

Redistributive Policies: Such policies are intended to manipulate the allocation of wealth, property right, or some other value among social classes or racial groups in society.

What is significant with respect to these typologies is that the outcomes in Columbus were twofold: the decision to divest Battelle of \$80 million had distributive and redistributive overtones. The Ohio Center to be built by the quasi-public Battelle would be desirable to the community as a whole, and given the reallocation of funds listed earlier, nearly \$40 million would be distributed to various causes in the community. It is indeed remarkable that proposals of this kind should ever be adopted, in that the political system usually creates manifold opportunities for checking and blocking proposals that threaten an

organized interest. Battelle certainly tried over years, but at best was able to come up only with "alternate" plan. If the beneficiaries are supposed to be the public at large, and if the public at large has little incentive and no mechanism for organizing to press for what it thinks are its interests, then one would suppose that the organized opponents would usually win. And this is usually what has often happened. During certain periods, however, the political system changes in ways that make it much easier for these proposals to get adopted. And much of the explanation lies in those institutions and processes changing values, the press, etc. - that are important in altering the political agenda. Battelle could no longer remain an absentee participant in the Columbus community. A key element, then, was that in these processes, since the public is not organized to act for itself, somebody must find a way of acting on its behalf. Ways of pulling together a majority of interests to bring about a proposal's adoption must be accomplished. Two factors then were prominent in this process: A coalition of support and compromise.

Thus Battelle would satisfy the "charitable" provisions of Gordon Battelle's 1923 will. They would maintain and enhance their future needs by presumably participating in the city's redevelopment process by building and operating the Ohio Center. From all

array of private and public interests to converge and bring about this possibility in addition to Battelle's willingness to compromise. In fact numerous people in this community see Battelle's decision to donate the \$36.5 million as the key and single most important decision to build the center. But as we have seen here, other factors have a bearing on capital improvement projects.

#### Chapter Three

### BATTELLE COMMONS COMPANY: THE NEW REDEVELOPMENT ENTREPRENEUR

My hat's in the ring. The fight is on and I'm stripped to the buff.

Theodore Roosevelt, 1912

Once upon a time, a farmer set out a tar baby dressed in bonnet and skirt to trap a troublesome rabbit. The rabbit hit the tar baby when it didn't answer his "Good Morning," and the farmer trapped the rabbit. The rabbit then begged the farmer, "Boil me in oil, skin me alive, but please don't throw me in the briar patch." The farmer fell for the trick and threw him in the briar patch; as the clever rabbit lickety-splits away, he sings, "This is where I was born and bred at. " While Battelle's position didn't exactly parallel that of the parable, in many ways it is very similar: Battelle was trapped, and in a compromise move, was included in the thicket of redevelopment politics. Whether the huge research firm would be as successful in this venture as would be the rabbit in the briar patch is another story. The offspring, Battelle Commons Company, in addition to serving as a conduit for BMI funds must now be the master of applying for grants, providing management and expertise, and be the major link between the public and private sectors.

Thus, in the spring of 1975, the Battelle Commons company, bairn of the giant research corporation, known for its role in the development of the process of xerography, assumed the role as convention center developer, with Clyde Tipton, Jr., as company president. The corporation, with its lucrative international interests, had been challenged for failing to conform to the terms of the will of its founder, which had dictated that profits from the operations of the memorial institute be distributed locally to improve the civic weal. With BMI forced into the \$80 million settlement, as a quid-pro-quo, the Battelle Commons Company, supposedly independent of the institute, had been formed to build and manage the center. The company would soon find out, though, about the complexities of implementing redevelopment projects. For as Clyde Tipton, Jr., Company would find, implementation activities are set in the midst of a complicated flow of policy activities.

By the summer of 1975, BCC was well on its way. BCC trustees had received its funding, with about \$3 million reserved for administration, and the rest available to build the center. Tipton had acquired a staff and retained legal counsel from Vorys, Sater, Seymour & Pease. Tipton's use of one of the Vorys attorneys, who had helped work out the legal structure of Capitol South, produced the first visible friction between those two projects. But the Vorys firm

continued to represent both. Tipton described as an ebullient person, had set up offices for Battelle Commons Company in an old building on Chestnut Street, just east of North High Street, to build "the best damned convention center" he could.

## Preliminary Engineering:

## Requests for and Extension of Benefits

With center construction financing seemingly well under wav, COTA announced it would apply for \$6 million from the federal Urban Mass Transit Administration (UMTA) to help build part of the proposed center. This was revealed shortly after the COTA executive director, and officials of the Mid-Ohio Regional Planning Commission and BCC briefed UMTA officials in Washington on transportation facility plans. According to terms of the potential request, federal money would cover 80 per cent of the cost of a \$7.5 million bus, rail, and auto transportation center to be constructed at the north edge of the convention center site. BCC would supply the \$1.5 million local share if the grant was approved. The transportation center according to Tipton, would be the first phase of the convention center. UMTA's capital grants division officials greeted the concept with enthusiasm, but said there were a lot more requests for

<sup>1</sup> Columbus Dispath, 15 May 1975.

funds than funds available. As activity continued, Columbus' Turner Construction Company was named prime contractor by BCC for the project. The Turner Company had built 10 projects in the city including the State Office Tower. The corporation also named Nitschke-Godwin-Bohm Architects to work with the primary firm Naramore, Bain, Brady, and Johanson of Seattle, Washington, Battelle's favorite architectural firm.

By the end of June 1975, BCC's board had hired the management consultant firm of Booz, Allen, and Hamilton of Bethesda, Maryland, to make a search to determine what major spectator events might be attracted to the convention center exhibition hall after its now announced completion date of 1978. Tipton said the firm would make a list of potential spectator events that could be attracted to the hall and decide the physical requirements (such as seating and floors for the various events) and how much revenues and expenses the events would generate. Such professional teams as the Cleveland Cavaliers basketball team or World Championship teams might consider playing some games in Columbus. Tipton also mentioned circuses and the Harlem Globe Trotters as possible attractions. In his words the

<sup>&</sup>lt;sup>2</sup> Columbus Dispatch, 23 May 1975.

<sup>3</sup> Columbus Dispatch, 30 June 1975.

results of the study would help trustees decide, "Do we want a facility that would accommodate something like that?" If the trustees decided the hall could accommodate spectator activities, its interior could be designed so "we will end up with something better than just a bunch of folding chairs on the floor," he said. Tipton said the consultant firm was not searching for a major sports franchise for the hall.

Also in late June 1975, Tipton, in one of his first proposals, announced plans to build a solar heating and cooling system for the center. 4 The system would be the largest such system ever built and would be paid for with federal funds. In disclosing plans to seek federal funds Tipton told the company's board of trustees that solar energy-collecting devices built in the roof of the center's exhibition hall could produce 60 to 70 percent of the total heating and cooling for the center complex. If the board approved the application to the Federal Energy Research and Development Agency, it would be submitted in mid July. representatives had been in Washington, D.C., and had been encouraged to apply for the money according to Laski. According to Tipton, the federal agency had \$300 million available for commercial demonstrations of solar heating that year, and "Nobody has ever done anything on this scale

<sup>4</sup> Columbus Dispatch, 27 June 1975.

before." The proposed convention center was 10 times larger than any project the energy agency had funded, and "We are not talking about a research project," Tipton said. He said the "solar farms," that would be built in the roof would be made of panels, "you can buy right now." As new solar technology is learned, he said, "we will be able to replace new materials and compare them with the old materials. solar farms would cover 100,000 to 150,000 square feet, and be made up of glass panels with tubes in them containing liquid. The liquid would be heated by the sun and stored. Providing the federal government approved the plan, there would be enough storage area for a three or four days' supply. According to estimations, the solar roof alone would add \$3 million or \$4 million to the cost of the \$70 million center complex. The federal energy agency could fund the entire amount for the solar equipment or ask for a percentage of matching money, depending on the kind of grant, according to Lasko. Tipton also noted that there was a coal-burning steam plant on the convention center site in Union Station along North High Street, and experts were looking at the possibility of salvaging the steam plant, built in 1945, as a backup system for the solar heating. said new equipment would have to be included in the plant which contained two "sizeable boilers." There was also a possibility that the steam plant could burn waste materials generated by the convention center as fuel, he said. Tipton also told the trustees that a developer was interested in building the hotel and commercial and theater areas of the complex, while being careful not to divulge the developer's name. He told board members he would name the developer after the public meeting. Shortly afterwards, the board went into executive session and others were asked to leave.

By mid-July, officers of the BCC and COTA were ready to go to Washington to request federal funds to start the first phase of the Ohio Center Project. The request was a "pre-application" for \$6.24 million from UMTA to go along with \$1.56 million from BCC to finance the \$7.8 million transportation center. This hand-delivery approach, according to Tipton, was being taken

just to make sure it got there. Since we have been working so closely with the people in the UMTA deputy director's office, we thought it would be nice to take it there in person and spend a half-hour going over it to make sure there are no questions that might slow it down. It just says doubly that we're interested.

COTA's executive director also announced the delegation would include in its visit, a stopover in the offices of the two Columbus congressmen, U. S. Representatives Chalmers P. Wylie and U. S. Senator Robert Taft to make them aware of the application. It was felt UMTA would act quickly on the

<sup>&</sup>lt;sup>5</sup> Columbus Dispatch, 19 July 1975.

preliminary application because BCC had a definite start date for the project, a feature not symptomatic of most requests for UMTA funds. "They could have a rather quick review and issue a letter of no prejudice in a very short period of time," according to the COTA executive director. BCC wanted to break ground for the transportation center, a cross connection of rail, bus, and auto traffic under the Union Station platform, 4 July 1976, as a Bicentennial observance. "We'd hope within a couple of months to have a good reading on what our prospects are and what we would have to do to really get this into the main stream at UMTA," Tipton said. At that time, formal application would be submitted and funds could be forthcoming by the ind of the year.

By late July 1975, some members of the BCC board began questioning the value of retaining the ancient arcade in front of Union Station, when it was learned it would cost an estimated \$1.5 million to save and restore the structure. Plans called for the arcade, which faced North High Street, to be used as an entrance to the transportation center that would be built on the site. With the old arcade deteriorating rapidly because of weather and time, one member of the board questioned whether there would be

<sup>6</sup> Columbus Dispatch, 20 July 1975.

anything left to save. Another chanted, "I'm afraid it's not worth it." Clyde Tipton said restoration would mean extensive rebuilding: the base would have to be shored up, a new foundation built under it, and the roof and ceiling rebuilt. In its defense though, Tipton said experts considered the arcade, which was built in 1897, to be an excellent piece of architecture. While agreeing with the architects who said it would be a "lovely complement" to the center, and recognizing the old building was on the federal register of historic buildings, Tipton said it would take a good argument to get permission from the federal government to tear it down. At the time then, the arcade's place remained intact in plans for the \$77 million center project.

At the end of the month, Warren J. Cremean, now a vice president of the Battelle Commons Company, announced a meeting to include officials of COTA, city of Columbus, the Penn Central Railroad, and Nationwide Insurance Companies. In the announcement, Cremean said ground would be broken for the center in July 1976 with construction expected to take two and one-half years. COTA planned to build a transportation center at the complex and Nationwide would finance work near the convention center as part of its then recently approved tax trade-off package with the city.

<sup>7</sup> Columbus Dispatch, 30 July 1975.

Cremean said the railroad would officially receive its required notice of the schedule of development in September 1975 so that construction of a temporary station for Penn Central use could begin in January 1976. That would allow demolition of the existing station in order to construct the center complex. Cremean also said a connector street project to revamp Front Street and Marconi Boulevard would begin in June 1976 and would be completed by the end of that year. Also, reconstruction for traffic changes on Naghten Street and North High Street would begin in November 1976. The upcoming meeting was to culminate the long planning effort to prepare a coordinated plan for development of the complex.

The meeting, later held in Union Station, was attended by representatives from BCC city government, the Penn Central Railroad, Nationwide Insurance Companies; Naramore, Bain, Brady, and Johanson architects; COTA; the Turner Construction Company, and the new federal building. The timetable unveiled at the meeting indicated Columbus' observance of the bicentennial would be marked by the construction start of the center. The schedule juggled many projects planned in conjunction with the center in such a way that the north side of the CBD would be essentially

<sup>8</sup> Columbus Dispatch, 31 July 1975.

remade by the spring of 1979. Several imponderables emerged during the meeting: among them whether the convention center would include a sports facility and where a temporary AMTRAK passenger facility would be located. Cremean said an economic study of the potential for a sports facility would be completed by 15 August. An architect with Naramore, Bain, Brady, and Johanson of Seattle, Washington, said no provision had been made for sports in the design of the convention center itself. Sports would have to be provided for in an arena separate from the convention exhibit hall facility, he said. Cremean reported Battelle Commons intended to give Penn Central, AMTRAK, and the Union Depot Company notice during September to vacate the aging station by July 1, 1976. Vacating the building would be followed by groundbreaking for the \$7 million transportation center and the start of demolition of the station both on 4 July, he said. The only thing which might upset the vacating time schedule was a hitch in negotiations between the depot and the city, which must provide a site for a temporary train station until the transportation center was complete. Penn Central officials said AMTRAK officials had approved a layout for a temporary station that would be located along Penn Central tracks just east of North Third Street. officials said they had an alternate location, not yet approved by AMTRAK, if the present plan was unsuitable.

They would say only that the alternate site was in the Union Station area.

Warren J. Cremean felt the master schedule was needed because completion of all projects depended on parts of each being done at certain times. 9 All new developments planned and underway along North High Street between Spring Street and the Union Station would go forward as one, as the master control schedule linking the projects in a uniform flow chart for cooperatively phased development was unveiled. representative of Nationwide's facilities, planning, and engineering section responded, "We've reached a critical state in timing and scheduling that requires tight, critical blending of all activities, or none could proceed. " Key to the building projects were three street improvements among the seven in the Ohio Center area for which Nationwide would pay \$20 million to the city in lieu of property taxes for the next 20 years under a plan passed by City Council on 28 July 1975. Street improvements were as follows:

.Replacement of the High Street viaduct over the railroad with a new bridge.

.Completion of a Naghten Street viaduct and widening of the thoroughfare.

<sup>9</sup> Ibid

.Completion of Front Street and Marconi Boulevard as a north-south corridor.

The city's service director said the only thing that might delay the street projects was a search for new sources of financing if voters turned down the bond package which would appear on the November ballot. At the time Nationwide Plaza and the federal building were already under construction. The Ohio Center and project was set to go into the final design stage on August 15. Also under way were planning and studies in various stages on the street and freeway improvements. Activities as they appeared on the master schedule in chronological order were as follows:

- .1 October 1975 Parking garage tunnel construction begins at Nationwide Plaza.
- .1 January 1976 Temporary railroad construction to start with completion set for 1 April 1976. Nationwide parking garage to be started with completion set for 1 April 1977. North Innerbelt safety upgrading to begin.
- .1 March 1976 Structural supports to be erected for the colonnade entrance of Union Station, a national historic facility which would be incorporated into the transportation center.
- .June, 1976 Front Street and Marconi Boulevard one-waying pairing to be started with construction to be complete by 1 October 1976.
- .July, 1976 Transportation center construction to start with completion forecast by 1 December 1977. Mainline railroad track relocation to begin and be completed 1 January 1977. Ohio Center construction to begin with a spring 1979 completion date.

.October 1976 - Naghten Street and High Street projects to begin with completion set for 1 December 1978. Conversion of North High Street to a business-oriented transitway from Spring Street to Main Street to begin.

.December, 1976 - Initial occupancy of Nationwide Plaza with final occupancy set for December, 1977.

- .1 January 1977 Ohio Center parking facility and theater construction to begin, with parking to be ready 1 July 1978, hotel to be ready 1 January 1979, and theater to be ready 1 April 1978. Innerbelt innerchange Spring-Sandusky improvements begin.
- .1 July 1977 City to begin construction of north portal park, plaza, and pedestrian walkways at Naghten and High Streets with work to be done by 1 July 1978.

.Autumn 1977 - Nationwide to begin High Street and Naghten Street landscaping and complete it by spring 1979.

.Late 1977 - Possible freeway connector route linking the Ohio Center to I-71 north and the Olentangy Freeway to be identified.

In early August 1975, quick response came to the lack of plans for the sports arena, exhibiting the first sign of controversy. Of Sometimes, even when redevelopment objectives are clear to one set of interests in the community, they may lack clarity for others. As background there had been considerable discussion over the years about getting a sports arena built, but nobody had been able to mobilize the effort. Groups had touted many locations such as the Ohio

<sup>10</sup> Columbus Dispatch, 20 August 1975.

Penitentiary, the Ohio State Fairgrounds, the proposed convention center site, Capitol Square South, southwestern Franklin County, and the Veterans Memorial One of the first proposals for a sports arena surfaced in the late 1940s when Veterans Memorial was being planned. The citizenry approved a bond issue to finance the complex that included the auditorium, a music hall and a sports arena. Only the auditorium was built. In 1967, then Mayor M. E. Sensenbrenner's administration proposed a sports complex, including a 55,000 seat stadium and an arena to be located preferably in the near northeast section of the city to attract major league sports to Columbus. Others who would propose a center included the governor who had mentioned the Ohio Penitentiary site as a possible location for an arena. His proposal was at that time most recent. One of the supporters of the governor's idea pointed to Youngstown where there were plans to build a "mini-domed" 20,000-seat stadium that would accommodate everything including football. It would be a copy of an arena built at the University of Idaho for \$6 million, he said. "I would think it is more facility for the money than anything else you can build," he surmised. A group of Black businessmen also once talked about an arena in rural southwestern Franklin County to honor Jesse Owens, the 1936 Olympics hero. Those touting the Capitol Square South area said it

would ideal way of redeveloping deteriorating be an properties between Third, Main, High and State Streets. Some sports enthusiasts said the fairgrounds would be ideal because of the availability of parking and its location next to the North Freeway. The Union Station site was mentioned as a location for a sports arena in ballot language that enticed voters to approve the station's purchase. However, now the arena plan had been dropped and only an exhibition hall, hotel, and retail complex was planned. Through the years, there had been several proposals for domed stadiums for the Capital City. A Columbus lawyer proposed one at Route 256 and the East Freeway at Reynoldsburg. There was another proposal to put a dome over old Jet Stadium. city even spent \$950 in 1967 for a feasibility study to determine if a domed stadium could be built at one of the abandoned stone quarries around town. At the time sports enthusiasts were saying Columbus would never get a major sports franchise until it had a facility to house it. Majors minded spectators said it was depressing to attend sporting events, circuses, and other activities in fairgrounds Coliseum which seated about 5,000 people. them, Columbus ranked as a major city in population but would never be recognized as major city until it had a facility for spectator events. In response, Tipton added during this same time frame "We are rot negating the need for a sports arena in the central Ohio arena. However, the Battelle Commons goal is to attract a growing convention business in Columbus."

In the fine art of political salesmanship, important claims will be made; sometimes on hard evidence, sometimes on hope or assertion. In this instance, though, Tipton was revealing preliminary results from an events survey being conducted for the planned Ohio Center which stressed that central Ohio's greatest need was for a facility designed to accommodate convention and trade show operations. formal technical evaluations are used for many purposes, this one showed that major athletic events based franchise operations, such as football, baseball and basketball, required an entirely different design concept an arena with fixed seating - than had been drawn for the center. While conceding the possibility the Ohio Center would host traveling sporting events such as professional track or World Tennis, Tipton said the basic concept of the center had always been to provide a versatile facility primarily designed for exhibits, meetings, and conventions and to include a hotel and transportation center. Tipton said that during slack periods in the convention business, musical events, name entertainers, ice skating and spots events and other traveling productions might be booked. said the continuing survey would evaluate the needs and costs for seating as well as the cost benefits of attracting such activities.

Meanwhile, during late August 1975, Tipton told the BCC board of trustees at their regular monthly meeting that agreements with the city for control of the Union Station site for the center had "pretty well formed into a working contract," and "By the next meeting of the board, we hope to have a good reading on the lease, financial agreement, and plan. "11 He projected further that by early October, all the arrangements should be evolved into a "pretty final document" ready for formal presentation to City Council for Once council approved the formal agreements, Battelle Commons could take control of the site and Ohio Center would become a reality. Also at the meeting, Tipton provided status reports on other Ohio Center needs. noted preliminary application for \$6 million in federal \$7.5 transportation money to finance the transportation center was hand-delivered in July to UMTA officials in Washington. A response from UMTA was expected in the next month on what the next step should be to get the money for the facility, the first part of the convention center to be completed. Also reported by Tipton was that a preliminary application for funds from the Federal Railway

<sup>11</sup> Columbus Citizen-Journal, 21 August 1975.

Administration (FRA) to help finance historic preservation of the Union Station columned facade should be ready to go out next week. According to the planning proposal, the company would seek about \$900,000 from the FRA toward the estimated \$1.5 million price for restoring the station front, which would become the entrance to the transportation center. In other Battelle Commons activity, commented further on the initial results of the "events survey" for the center which had ruled out using the complex as a major sports arena. Previously in a September 1975 issue of the Columbus Business Forum, Tipton in addition to justifying why there would be no sports arena also outlined some other aspects of the facility based on the study begun in 1972: 12

...there was and there remains a great need for a multi-purpose center capable of providing the finest of facilities for accommodating major convention business and offering other important amenities.

At a cost of some \$75 million, Phase I of the Ohio Center will be one of the most complete multipurpose civic centers in the United States.

All of this will se located within a 600-mile radius of more than 65 percent of the population of the United States, some 135 million people. That fact alone offers an important reason to build the Ohio Center. Since World War II, cities with adequate convention facilities have been

<sup>12 &</sup>quot;The Ohio Center," Columbus Business Forum (September 1975):34.

reaping tremendous financial harvests. Columbus, with an ideal location and easy access, has been unable to accommodate much of the rapidly growing convention business. We estimate that the Ohio Center will add 850 new jobs and be directly or indirectly responsible for bringing into the community \$55 million per year.

With activity humming smoothly, in mid-September 1975, the first step toward building a city-financed \$200,000 temporary railroad passenger station for AMTRAK was expected to be considered by City Council. 13 The special projects coordinator for the City Attorney's office announced Council would be asked to allow the city to enter into a contract with Union Depot Company for the hiring of a consultant for engineering and architectural work for the facility. The proposed site of the train station would be east of Fourth Street and between the Fourth Street viaduct and the innerbelt in the train year. The one-story station would be a temporary facility for AMTRAK passenger operation until the transportation part of the Ohio Center completed. AMTRAK currently had ticket facilities inside the Union Depot. The depot was scheduled to be razed July 1976, to make way for the Ohio Center. The attorney said the temporary AMTRAK facility was scheduled to be built by 1 July 1976. Under the schedule worked out by BCC, the private nonprofit agency formed to build and operate the

<sup>13</sup> Columbus Citizen-Journal, 15 October 1975.

Ohio Center, the transportation center within the Ohio Center would be built by December 1977. However, the temporary AMTRAK facility would be a prefabricated building. The superintendent of Union Depot, commenting on this, confirmed such a type of construction as being one of the various options under consideration. The station would have baggage room, ticket office, waiting room and restrooms. AMTRAK personnel would operate the ticket office. AMTRAK then currently operated the "National Limited" through Columbus with direct service to New York and Kansas City. AMTRAK had, according to the city attorney's office, approved the same location in a letter to Union Depot.

In a meeting in which Council was wrapped up over deliberations concerning use of Don Scott Field, Council tabled for two weeks authorizing spending of up to \$25,000 for architectual work in connection with the proposed temporary AMTRAK passenger train station. 14 Council President M. D. Portman said the legislation to hire architectural consultants for the AMTRAK station could be delayed two weeks to see how negotiations progressed between the city and BCC. According to the special projects coordinator for the city attorney's office, BCC and the city were currently negotiating terms under which the city would

<sup>14</sup> Columbus Citizen-Journal, 21 October 1975.

turn over the convention center land to BCC. Portman made his move in hopes those negotiations might affect the train station. The city had a legal obligation to build a temporary terminal for AMTRAK until its permanent station was built in the transportation facilities of the Ohio Center. The temporary train station was estimated to cost up to \$135,000. The city was also obligated to relocate Penn Central track at an estimated cost of \$1.2 million.

In the meantime, Tipton announced that BCC would know by 1 November, if it was eligible for \$1 million in federal money to preserve the Union Depot facade. 15 Tipton reported to his board, however, that eligibility for the money would not guarantee the company would get it. Tipton also announced to the board, Battelle Commons was discussing the proposed solar heating system for the convention center with three companies.

On the day of Council's first meeting in November 1975, it was announced publicly Council would tackle legislation again that would authorize planning for the temporary AMTRAK train station. <sup>16</sup> The legislation would allow the city to enter into a contract with Union Depot so the Penn Central subsidiary could have planning done for the

<sup>15</sup> Columbus Dispatch, 22 October 1975.

<sup>16</sup> Columbus Dispatch, 4 November 1975.

station. Up to \$25,000 in planning would be authorized under the legislation. Council had tabled the legislation October 20 and there was reason to believe it might be in for a rough time again. For Council members had indicated at the regular Council - administration meeting in the past week some reluctance to commit funds for architectural planning for a facility when the city was yet to approve a site for the station. During the meeting, however, Council opened the door to the temporary passenger train station by approving legislation that would allow \$25,000 for station planning. City and convention center officials had proposed a site east of the 4th Street Viaduct and adjacent to the Innerbelt for the interim passenger quarters. Cremean said another possibility was renting the presently vacant Smith Brothers Hardware Company building at 580 North 4th Street just north of the 4th Street viaduct on the east side of 4th Street. He said consulting engineers and architects would estimate the costs of the alternatives. Speaking before the legislative body, he told them that the entire station project would involve up to \$300,000 in construction and other costs to the city. The site of the station had not been determined. When the city entered the agreement with Penn Central Transportation Company to buy the 27.5 acre site before BCC entered the project, the agreement required the city to provide temporary facilities.

Penn Central or AMTRAK or both would pay for the permanent facilities in the center complex, Cremean told the council. He said a price tag - not yet determined - for the temporary facilities would be in legislation that would come before the council at a future date. Several council members had inquired whether the city could shift its responsibility for the temporary quarters to Battelle Commons. Cremean said it might be possible that some of the responsibility could be shifted. Under the purchase agreement, the city was also responsible for relocating railroad tracks in the area. Cremean said work on the temporary station must begin early in 1976 since it would be needed from the time the Union Depot was razed until the center was completed. Also at the meeting, the president of Smith Brothers Hardware Company said the company would be willing to lease its building on a three-acre tract with a paved parking lot for nominal rent whatever it took to pay taxes and utilities. He said the building had been vacant for a year. Cremean said the building was a quarter of a mile from where east-bound rail passengers would be loading and unloading.

As Battelle Commons Company finished its first year toward building the convention center, when the new year, 1976, began, most of the preliminary work was done according

to Richard Lasko, BCC vice president. Evaluating the company's progress, he reported things were shaping up for a 1976 construction start and completion of the \$70 million project in early 1979, as planned, although more delays were becoming apparent. According to Lasko:

We consider ourselves a little benind our self-set schedule right now - about 30 days - but, in general, we're maintaining pretty good. We're on target for about 80 percent of what we wanted to accomplish by this time which we started out last January (1975).

At the time though, actions beyond the control of BCC, however, began threatening to eliminate any possibility of the firm's long-planned 4 July 1976, groundbreaking and push the schedule as much as six months off the hoped-for pace. For as Lasko would explain, there were certain musts before Battelle Commons could do any work on the Union Station site:

.A contract and lease agreement must be concluded with the city in order to give the Penn Central Railroad and AMTRAK six months' notice to vacate the building.

.The city must tear down the present High Street viaduct over the railroad and replace it with a new overpass with supports moved south to accommodate track relocation;

.The tracks must be relocated by Penn Central, along with railroad signals and the railroad's present telephone exchange building and equipment.

<sup>17</sup> Columbus Citizen-Journal, 2 January 1976.

Replacement of the High Street bridge posed the threat, since tracks couldn't be moved until the viaduct was gone. The city traffic engineer said the current target for start of that project was autumn 1976. Final construction plans still remained to be completed, although preliminary engineering was already done. Also, the entire Naghten Street project, of which the viaduct was a part, had still to be taken through the bidding process before work could begin, he noted. Hopefully, according to Lasko, things could speed up so the street work could start by spring. "That may be over eager, but if we don't ask for it, we won't get it," he said. The contract and financial agreement with the city was one thing BCC had hoped to have out of the way in 1975, but did not complete. Lasko said the firm hoped to go before City Council toward the middle or end of January with the proposed agreements and have them legitimated at the end of February. He also confirmed negotiations with private developers to construct the hotel and retail portions of the Center were nearing final stages and commitments could be signed within the next several weeks. With commitments in hand, BCC could take a complete package for the center to City Council. That was not why contract completion had been delayed however. Issko said the company was readying to go in December, but didn't feel it was an appropriate time because of Counci's and

administration's concern with solving the city's budget Assessing other first-year accomplishments, he noted, "We did want to be complete with our schematic drawings." It appears now we won't be complete, because of the problem of relocating signals and telephone systems of the railroad and questions that relate to track relocation." It also tied in directly into highway access from the east Lasko said all soil work was done. and west. completed was the environmental impact statement, he added, including acoustical testing of noise from the railroad and cars which yielded an unexpected finding. "The most significant noise problem was airplanes in the landing pattern for Port Columbus," he said. In all, Lasko noted, preliminary design, structural engineering, and schematics were all about 75 percent complete and were at just about the point where company officers envisioned they would be. Also reported was progress gained in obtaining a \$6.4 million grant from the Urban Mass Transit Administration to finance 80 percent of the cost of the tri-level bus and rail transportation center which would be the first part of the project to go forward. As he would announce,

We, in Columbus, are anticipating a letter from UMTA that will instruct us as to what needs to be be submitted for a final application for the transportation center funding. We have been told over the phone we would get it sometime around the end of the year.

Lasko cited one problem in the request, which had to do with building a wide corridor with enough empty space for a highway under the center and for future development of light rail rapid transit. He said, "UMTA says why should they help pay for empty space that is not going to be used for 20 years." Meanwhile, application for another federal grant, seeking \$900,000 to match \$600,000 of Battelle Commons money to restore the historic colonnade entrance to Union Station, had hit a major snag, however. Lasko said, "Congress did not allocate the dollars anticipated by the Federal Railway Administration. Thus, we've asked Congressman Wylie to investigate and see what he can do for us." BCC plans for 1976 included the following:

.Non-critical demolition (destruction of buildings on the edge of the project along High Street) to start in the spring.

.Erection of structural supports for the historic colonnade building, also to start in the spring.

.Demolition of main buildings and groundbreaking for the transportation center and main convention hall, all to be started in July or late summer, along with renovation of the historic building and heating and cooling plant.

#### On tap for 1977 were

.Hotel construction beginning in January.

.Theater and commercial construction also starting in January.

.Parking facilities construction beginning in March.

Scheduled completion dates would have the parking area done in June 1978; the transportation center finished in December 1978; the hotel and theater-commercial segments completed in January, 1979, and the convention center itself ready by spring, 1979. Lasko concluded:

We're receiving phone calls regularly from people from organizations who want to hold their conventions in this large facility in 1980, 1981, and 1982. We're keeping an active list, but we're not booking anybody yet. We're going to be hesitant until we have a groundbreaking and some kind of firm construction schedule to live with.

At the beginning of February Clyde Tipton announced a possibly impending agreement within a month for a 15- to 20-story triangular-shaped hotel at the convention center. 18 Saying an agreement could be signed in a month, Tipton said he was talking "seriously" to a developer who wanted to build a hotel at the center. While not naming the developer who was from outside Ohio, Tipton said construction could begin on the hotel at the northeast corner of Naghten and High Streets by late 1976 and be completed in about two years. He also said a hotel chain such as Hyatt-Regency or Marriott would operate the hotel, and the prospective developer had had some discussions with possible operators. Under the arrangement, the land for the hotel would be leased by the city of Columbus to BCC which would sublease

<sup>18</sup> Columbus Dispatch, 1 February 1976.

it to the developer. Tipton said, "We'd like to see a really first-rank hotel that would be interested in catering to meetings and also to the typical executive visitor to Columbus." The developer would own the building until the lease expired, probably in 75 years. At that time the building would revert to either Battelle or Columbus, whichever administered the convention center complex. Of significance, Tipton also said BCC and city officials expected to complete a lease agreement in about a month.

As BCC had completed its first year in office numerous implementation activities were under way. And while there were minor bumps and bruises surfacing from time to time, the process seemed almost simple. Numerous government officials and agencies and private interests were all working together in this area between intent on the one and hand and performance and impact on the other. But slowly, controversy began to rear its sometimes ugly head.

# Environmental and Process Impacts: Some Unexpected Costs and Benefits.

Few advancements in politics are made without controversy. Shortly after Tipton's projections on the lease agreement, the 76 heirs of Bathsheba Lazelle threw a stumbling block into the planning process. 19 With

<sup>19</sup> Columbus Dispatch, 2 February 1976.

groundbreaking forecast for July, the heirs filed a lawsuit over a piece of land in the project's area which threatened to delay the project. Typically, the prime responsibility for implementation falls on those who have vested authority, but often a number of actors outside government also get involved. Sometimes, private citizens get involved when participation is tied to the distribution of benefits. Bathsheba Lazelle had owned a piece of property at the northwest corner of Naghten and Third Streets. In 1854 she donated the parcel to the Cleveland, Columbus, Cincinnati railroad for a railroad right-of-way. In 1959, the state of Ohio obtained an easement from the Chessie System (which had obtained the tracks) to improve Third Street and construct a ramp from Third to Naghten. contention of the heirs, in 1976, was that the railroad only had an easement, and if the state wanted an easement it should have obtained it from them, not the railroad. attorney for the heirs argued, "The state took a calculated risk thinking the Lazelle heirs never knew their rights. couple of years ago one of the heirs wandered into my office." In response to the claim of the heirs, Franklin County Common Pleas Court Judge Gillie had ruled against the heirs on 14 January 1976. And now, the heirs' attorney was appealing that decision to the Franklin County Court of Appeals. The attorney, feeling confident, he would win the

appeals, noted he found a memo attached to old state records which paraphrased, read "As to the Lazelle heirs, if they assert any claims, then the state wil have to take care of them." BCC and city officials originally anticipated no difficulty in acquiring the parcel. The representing the claim, felt they could still acquire the property, but it would be very costly. Saying "This is a very expensive piece of ground, particularly with the Nationwide complex," he went on to suggest its worth was "in the low millions." Site engineering plans at the time revealed part of the convention center complex would be built on top of the disputed land. BCC response was planning had been disrupted by the suit, and that the state might not be able to donate the land to the city since it may not have legally owned it. BCC also warned that the city might not want to build the center at Union Station if it couldn't get the land donated. Cremean said, "Some people might think twice before building a \$70 to \$80 million exhibition complex there if somebody owns a piece of property next to it that could be developed into a honkytonk or something. It's a delicate situation." The mayor's response was that he didn't think the future center was jeopardized:

It's just a little problem. But little problems can sometimes hold things up. If it (the disputed land) is worth in the low millions, it's the most valuable piece of property in the city.

Response from the city attorney's special projects coordinator was that the city wasn't involved in the litigation. But on the other hand, the impact on the center would be direct since it was his "understanding that a portion of the development is planned over the property in question." One of the less visible impacts was brought up by a private attorney who had been representing the state in the case. The outcome was important to him because there were several rights-of-way available in the state because of the demise of railroads. Since some of the rights-of-way were only easements and communities planned to convert them into bike paths, parks, and roadways, he questioned whether they would have to be recommended over again for a new use.

Shortly after the Lazelle controversy the city's Development Director announced the City of Columbus, BCC, and Nationwide Insurance Company planned to hire a design consultant to make sure construction and reconstruction projects in the northern Downtown would blend. Hideo Sasaki of Sasaki Associates of Watertown, Mass., which had an international reputation in urban design would be hired.

<sup>20</sup> Columbus Dispatch, 10 February 1976.

City Council authorized spending \$14,000 in capital improvements money to pay one third the cost of the consultant. The chairman of council's Development Committee said the two corporations (BCC and Nationwide) agreed to spend the same amount. The consultant would coordinate plans for such things as trees, walkways, street and plaza pavement and streetlights.

While things may have been coming along smoothly, BCC officials were warned in early March 1976 by state officials to "weigh the potential of catastrophe" that could be caused by a train derailment in the bowels of the center. 21 Lots of government officials get involved in planning implementing urban policy programs. BCC had planned to build over several railroad tracks to allow for unloading of AMTRAK passengers. Some in the community opposed this plan. And while they couldn't influence the decision locally without controversy, they could do so from a more lofty position. And while this was a less than ceremonious way to bring about a design change, because of the warning, Battelle officials ordered that an alternate architectural design be made that would leave the tracks uncovered. Warren Cremean of BCC said the alternate plan of having buildings on both sides of the tracks would be

<sup>21</sup> Columbus Dispatch, 3 March 1976.

presented to the company's board of trustees in its next meeting. However, Cremean said plans to build over the tracks had not been abandoned. In its report, the Public Utilities Commission of Ohio (PUCO) warned Battelle officials of the potential danger of building over tracks that were heavily traveled by freight trains carrying hazardous materials. The PUCO study showed that hazardous material was carried on about 21 of the average 60 trains a day that passed east and west on Penn Central tracks. About 80 cars a day passing over tracks at the Union Station carried such hazardous materials as corrosives, compressed gas, radioactive materials, explosives, poisonous gases, and flammable gas, liquids and solids, the report indicated. Also there was no practical route available around the city so the freight could bypass the center. Derailment was not beyond possibility. At then present derailment rates, there was a probability for 20 derailments for each track mile in the present Penn Central system over a 40-year period. "Over the short term," the PUCO director reported, "the probability is two derailments for each track mile over a five-year period." The study also found that tank car fires in the past had caused up to \$40 million damage in one derailment, had caused flames to shoot 200 feet in the air, had caused heat in excess of 15,000 BTUs and had thrown metal fragments a mile Also, corresives could seep down into the center's foundation and cause problems over a period of time. PUCO advised "There should be precautions taken in case of spillage to trap corrosives." More than half of all derailments were caused by track conditions, the director said. Further the potential of derailment in the vicinity of the convention center could be cut down by constant track maintenance. Track area security could help guard against vandalism, but little could be done, however, about the condition of train equipment, another major cause of derailments. In response, Battelle Commons' officials, who had hoped to begin razing Union Station in July, now said demolition couldn't begin until fall. The Consolidated Rail Corporation (ConRail), which was scheduled to take over the Penn Central facility 1 April, required six months' notice of the demolition, Battelle officials would say.

By mid March more was learned about the Bathsheba controversy when it was reported that city taxpayers had paid \$223,156 for a 2.8 acre chunk of land at Union Station in 1973 with more than \$75,000 (three times greater than the largest payment to any of the heirs) of the money going to the attorney who represented the owners. 22 Also the same attorney stood to get another piece of the action in fees for the disputed property next to Union Station. As

<sup>22</sup> Columbus Dispatch, 17 March 1976.

background, the city filed for appropriation of the land on 10 May 1973. The case was settled on 24 October, five and one-half months later. The attorney had worked on the case for a one-third contingency fee, with contingency fees usually ranging somewhere between 25 and 50 percent.

As mid March rolled around, the Columbus Convention Center was being redesigned for the third time - the principal observable reason being to leave Penn Central and Chessie System tracks uncovered and prevent a train disaster under the exhibition hall. 23 According to Tipton, the new design called for the exhibition hall and the hotel to be built south of the railroad tracks while the transportation center and a 520-car parking garage would be built north of the tracks. Tipton said it would probably be easier to get federal monies from UMTA with the tracks left open. The new design was estimated to increase the cost of the project by \$10,000. Further, with UMTA officials scheduled to be briefed Friday, 19 March on the new design, Tipton said the prime motivation for the new design was human safety. there had been some interesting changes made. Gone were the huge exhibition hall spanning the Penn Central and B&O railroad tracks between North High and North Third Streets, topped with sweeping, cable-suspended cantilevered roof; the

<sup>23</sup> Columbus Dispatch, 19 March 1976.

network of honeycomb-like hexagonal meeting rooms attached to the south side of the hall; and designs for a detached theater and hotel. In their place was a hugh exhibition hall with a dome-like roof stretching out train-fashion along the south side of the rail right-of-way. rooms, hotel space, the theater, and a concourse level linking all functions of the center were in the elongated building with parking beneath. Fronting on North High Street and connected to the convention facility was the hotel, a crescent-shaped high-rise structure angled complement the Nationwide Plaza building across the street. Hotel design was likely to change again, however, depending upon desires of the hotel developer eventually selected. Across the tracks, a redesigned transportation center, shaped like a triangle with a rounded apex or half of an elipse, headed another parking garage and served rail and bus traffic. It also took into consideration State Route 315 and I-670 freeway connectors and their exclusive bus lanes. Running along the railroad in boulevard fashion was a through street permitting access to the center from both North High and North Third Streets. A concrete apron and concourse connection to the transportation center spanned the tracks at street level. An open area along southeast side of the exhibit hall offered ample space for future expansion of retail operations.

Sometimes new design features emerge only in the implementation process itself - they may have been hidden or unexpressed before. And unique strategies are adopted to In this instance, safety concerns had bring change. prompted the BCC to seek information from the PUCO in Movember 1975 on the type of rail traffic and freight which vould be moving under the center. 24 The PUCO was unable to answer, Tipton said, but did a study completed in 1976 which showed there were roughly 57.6 trains daily through the area average of 147 trains a week were hauling and "potentially dangerous" freight. He noted there had never been a mishap at the High Street viaduct where trains ran through the present Union Station, while attributing the "remarkable record" to the slow speeds at which rail traffic moved through the area. Part of the project would relocate, straighten, and improve the tracks, and could result in higher speeds and greater hazard, Tipton said. "It seemed to me the way to situate the main building was not in the most hazardous location, but the least hazardous," he noted. Tipton added people should not be surprised by the design change. "The original design was just a concept," he said. "People seemed to get the idea it was an iron-clad plan." Also, further changes would be forthcoming, he added, due to

<sup>24</sup> Columbus Dispatch, 19 March 1976

represented more compact use of space and promised to be less expensive to build. Improved auto access through the facility had also been a big benefit of the change, he added. Space the size of the exhibit hall, meeting rooms, etc., were virtually the same in both designs, except the new concept provided room for greater retail utilization. Tipton said he expected UMTA to be more favorably impressed with the new design because "every part of the center related better to transportation in the new concept." BCC through COTA was in final application for a \$6.2 million UMTA grant to help finance the transportation center.

Three days later it appeared as if the planned groundbreaking for the center on the nation's 200th birthday was turning out to be a dream that would never come through when Tipton announced the hoped for start on Bicentennial Day was "unlikely to happen now." Tipton said "The principal reason is the transfer (April 1) of the railroad from Penn Central to Conrail means we'll have a whole new body to deal with." The beginning might yet come in the Bicentennial year, though as Tipton remarked, "We're still hopeful of breaking ground sometime in 1976 with completion in mid to late 1979." Tipton explained the railroad

<sup>25</sup> Columbus Dispatch, 22 March 1976.

transfer meant redoing a lot of the work already done with Penn Central. He added BCC felt fortunate many of the same people they had been dealing with would hold the same jobs in Conrail that they did with Penn Central. Substantial agreements with the railroad, regarding relocation of tracks and signalling, etc., were paramount to the project and must be accomplished before any work could start. Tipton noted also the contract and financial agreement between the company and Columbus for use of the land had yet to be Writing and signing of contracts is a most completed. prominent feature of implementation. Basic details had been worked out with and generally agreed upon by the city, he said, but there were some good reasons why BCC wasn't moving to bring the accord to Council. "The minute we sign the agreement, the 20-year period of tax abatement starts," he explained. "That means if it should be a year before we can get a hotel developer to come in, the hotel developer would lose a whole year of tax abatement." Battelle Commons was incorporated under a statute which set up the tax relief for nonprofit community urban redevelopment corporations. Abatement was considered an incentive to bring major hotel, theater, and retail operations into the project. company also wanted to have reasonable assurance it would receive federal funding sought for various phases of the project, including the transportation center, restoration of

Tipton added, the agreement must contain some sort of timely statement of what Battelle Commons will do when. Tipton was optimistic the company would reach terms with a developer soon, since hotel people seemed to like the new design for the hotel, which would now be directly connected to the center.

In late March, Columbus Convention Bureau officials criticized BCC for not consulting expert officials about the design of the proposed convention center. 26 Convention bureaus are usually prominent actors in convention center planning and building, but for various reasons, this was not the case in Columbus. William H. Brown, chairman of the board of trustees of the Columbus Convention and Visitors Bureau, Inc., speaking about the design, said

"That's amazing to me. I just sit back and say, 'Oh well.' I sit back and wonder why Harry Schreiber and Bob Bashor - probably the two most knowledgeable persons in the U.S. on conventions - were not contacted for their input."

Robert Bashor had headed the convention bureau in Columbus for 19 years and Schreiber had managed events at Veterans Memorial for almost 20 years. "You know the old story - when its local..." Brown said. BCC, which is building the center, went to the West Coast to get a consultant, he said.

<sup>26</sup> Columbus Dispatch, 24 March 1976.

Brown said that when Battelle came out with its first booklet showing a design proposal for the center, "It looked like a lot of money was being spent for a monument and not a useable building." But since the first booklet came out Battelle officials had been forced to change their design plans. The first plan called for the exhibition hall to be built over the Penn Central railroad tracks. But that plan was scrapped when the PUCO said a derailment of freight trains passing under the hall could cause a catastrophe. The center had been redesigned hurriedly, Brown said, but he and the other officials at the convention bureau had still not been consulted or briefed. Bashor said a convention bureau usually is an important cog in the planning of a convention center. "I don't think it (the bureau) has been very much of a cog at this point." He said Battelle people had been in touch with him only for a survey of potential convention groups. "All I know is there will be a certain amount of space." He emphasized, however, the lavout of that space is very important. "You build a product to suit a need," he said, and he did not know if Battelle was planning a center that would suit convention groups because he didn't know what the plans showed. "We were down there (at Battelle Commons Company offices) the other day with a prospective customer and they had nothing (designs or layouts) to show us," he said. For 21 years before Bashor

came to Columbus he worked for the New York Central railroad handling convention trains and hotel accommodations. For nine years during that period he also handled the scheduling of trains for Franklin D. Roosevelt.

While facing opposition locally, a month later, Eattelle Commons would fail to get federal money to build the solar roof for the exhibition hall. 27 In a meeting with company trustees on 27 April, Tipton informed them the Federal Energy Research and Development Administration had turned down the \$2.8 million project because there were too many fund requests for federal money for solar heating projects. On the positive side, though, Tipton told the trustees that money sources for about three-fourths of the estimated \$4 million transportation center had been found. But a source for the remaining one fourth to build an AMTRAK station and track platforms in the convention center was lacking. UMTA had approved money to build the bus portion the center, but neither the U. s. Department of Transportation nor the Federal Railway Administration had money for the train portion, he said. Tipton said the missing \$1 million was causing planning problems. also said the contract between Columbus and BCC for the Union Station land should be ready for City Council

<sup>27</sup> Columbus Dispatch, 28 April 1976.

consideration in the next week or so. He said negotiations with a developer to build a hotel in the center were in the final stages.

True to Tipton's word, a couple of days later BCC announced Venturi International of Atlanta and Knoxville would design and build a \$32 million, 17-story, 730-room trapezoid shaped hotel at the corner of North High and Naghten Streets. 28 It would be the largest hotel Columbus. Earl S. Worsham, co-chairman of Venturi said the hotel would feature a stepped, sloping wall along High Street that would be planted with ivy. There would also be an atrium (central hall) extending 17 stories in the center of the hotel. Meanwhile, Battelle still hoped to begin demolition of the Union Station buildings at the center site that fall. The hotel and the center would be constructed at the same time with completion in 1980. The selection of a management firm to operate the hotel would be made jointly by Venturi and Battelle in a couple of months, Worsham said. said he had had discussions with many major chains including Hyatt-Regency, Hilton, Sheraton and Four Seasons. Worsham, who developed the Hyatt-Regency in Knoxville, Tenn., had also developed university dormitories, student housing complexes, and other housing developments in the

<sup>28</sup> Columbus Dispatch, 29 April 1976.

southeast. The Columbus firm of Prindle and Patrick would be the hotel architects. Tipton said construction of the hotel was contingent on concluding the contract and lease agreement with Columbus which was to be submitted to the City Council shortly. As part of the design, Worsham said a "skybridge" over Naghten Street connecting Portal Park, the new Nationwide Plaza and the City's CBD beyond had been proposed for the hotel. The hotel would also feature balconies both on the outside of the building and along the walls of the atrium. The 17-story atrium would be free of columns, with shape being determined largely by the shape of the site. It would be built next to the exhibition hall, elevators would be in the attium, and the hotel would probably be constructed of concrete. Mayor Tom Moody in response said the hotel would be a "real boost to Columbus." He said it would provide construction jobs as well as being n new business in the city. Worsham said he had been talking to the Turner Construction Company, which was building the rest of the center complex, but that he did not have a construction company to build the hotel. It was also revealed at this time that \$14.3 million in federal, state, and local funds were being sought to construct the bus and cail transportation center and parking facility.

On the last day of April 1976, more was learned about the new plans for the convention center hotel. 29 The firm which had been named to build the largest hotel in Columbus at the Union Station site was a widely known developer with nearly a century of experience in hostelry developments. Seemingly, then, this firm was of enormous respect and prestige. Venturi International was a partnership which grew out of the Worsham Brothers firm founded in 1877 that built the Andrew Jackson Hotel in Atlanta. Venturi built the 426-room Hyatt-Regency hotel in Knoxville, after roughly which the new Columbus hotel was patterned. Worsham said Venturi would build only the hotel, for which the cost averaged out to about \$42,000 per room. With active negotiations under way with the Hyatt, Hilton, Four Seasons, and Radisson chains, he admitted the hotel design had "the Hyatt flavor," although he was careful to point out that didn't necessarily mean it would be a Hyatt. It was revealed at the time, however, that A. N. Pritzker, owner of Hyatt chain, was personally heading that firm's negotiations and had visited Columbus several times, the last trip about mid April. Jack Pritzker, a partner in the firm, commented to the local press that Hyatt definitely was interested in the Columbus project but was not near a deal.

<sup>29</sup> Columbus Citizen-Journal, 30 April 1976.

While construction of the hotel was expected to begin at the same time as ground was broken for the convention center in November or December, Worsham and Tipton said they were forecasting rates would be \$32.50 per room to start, a top of the market rate for Columbus but a competitive rate with other convention cities. Completion of the hotel was expected by mid-1979, about three or four months ahead of the convention hall complex. BCC officials emphasized that the hotel construction depended upon city approval of a contract and lease for the Union Station site and vacation of the aging station by AMTRAK and Conrail.

By mid-May terms of the city-BCC agreement were reaching finalization as it was revealed at least \$60 million in construction would be under way in 1978 on the proposed convention center at Union Station under a proposed \$1 a year lease agreement between the city and the company. The agreement with Battelle to lease the 27-acre site was scheduled to go to the next session of City Council. The following terms would apply. The contract would establish a so-called 1728 corporation that would exempt the Battelle firm from real estate taxes on improvements to the property for 20 years. Such a corporation was authorized under a state law that was passed

<sup>30</sup> Columbus Dispatch, 13 May 1976.

10 encourage development in blighted areas. The council had declared Union Station a blighted area. BCC would lease the tract for 75 years but the city had the option after 15 years to take over the center. It could exercise the option at five year intervals after that. The city would set up an agency or corporation similar to the Ohio Center Authority, then still designated as the convention center operating agency, to operate it for the city. Besides the Battelle agreement to start work by 1 January 1979, the city was expected to rebuild the High Street viaduct and widen Naghten Street by that time. The viaduct building would require moving some ConRail tracks. The city would build a temporary railroad station, and the council was expected to approve a 5-year lease with ConRail for the building on 24 May 1976. The station would be used while the convention center was being built. The city also would buy a two-acre tract adjacent to the center site from Bogen, Bogen, and Bogen, 498 North High Street. Purchase negotiations would start soon. The city would pay for most of the improvements with funds it would get from the Nationwide Insurance Companies which had tax exempt status for development of Nationwide Plaza near the convention center. Nationwide agreed to pay the equivalent of its real estate taxes to the city to help finance the improvements it did not have to do. To be sure, this is close cooperation between the public and private sectors. Battelle Commons would not make any such payments. Neither would developers of the Mt Vernon Avenue Plaza, the other tax exempt development in the city. Council President M. D. Portman said he expected a public hearing to be set after the agreement ordinance was introduced in the next council session. After the contract was approved, construction could begin, but ConRail must have six months' notice before work started.

session, Columbus City Council In its next legitimated the city's agreements with BCC for development of the center area. 31 In the words of the special projects coordinator for the City Attorney's office, council action the commitment of the city" "signals to development. 32 Significantly, it had taken nearly a year and half for BCC and the city to reach this agreement. But more importantly, city government was now committed to the project. One ordinance authorized Mayor Tom Moody to enter a \$1-a-year lease with the company for the 27.5 acres the city owned. While basically allowing the mayor to enter into a 75-year lease, the lease called for a term of as many

<sup>31</sup> Columbus Dispatch, 15 June 1976.

<sup>&</sup>lt;sup>32</sup>It is also significant, that at about this same time, the Mayor's Council for Economic Development's goals had been formulated and legitimated. See op.96 above for a related discussion.

years as it took for the convention center, to be known as Ohio Center, to become self-sufficient. It also called for the city to buy three more tracts of land at an estimated cost of \$900,000. Another ordinance authorized a financial agreement which would require Battelle to have \$35 million worth of improvements under contract by the end of 1978, and to use its best efforts to have \$29 million in additional improvements from private developers under construction or contract by then. That agreement would require the city to construct a new High Street viaduct and enlarge Naghten Street at an estimated cost of \$7.5 million, to relocate railroad tracks at a cost of about \$2.5 million; to provide temporary railroad station at the expense of about \$300,000; and to relocate storm sewers at a cost of about 32.2 million. The city could expect to recover the costs of the additional land and the street improvements from a tax abatement agreement with the Nationwide Insurance organization. The council also adopted a resolution to set up tax abatement for the Ohio Center. It was also learned at this time that the convention center legislation was delayed a week by a Councilman who explained he wanted citizens to have time to think over the matter. But, he and the rest of Council quickly passed the legislation in its Monday night session. Thus, the city was committed to \$13.4 million in various convention center improvements under the

agreement, including \$7.5 million for construction of the new High Street viaduct and widening of Naghten Road. While there was no public reaction, community response to the agreement was best expressed by a <u>Columbus Dispatch</u> editorial: 33

Next step towards realization of the Columbus Convention Center will find the walls of old Union Station coming tumbling down. City Council authorized Mayor Tom Moody to sign a 75-year lease with Battelle Commons Company for use of city land on which the center will be located. Columbus residents justifiably are elated at the prospect of the center. Improvement will be worked with the razing of the old depot and affiliated buildings on the North High Street viaduct. structures are an eyesore but not for long as demolition crews will move in yet this year as the new starts replacing the old by the first of 1978. Battelle Commons, private developers and the City of Columbus expect to have upward of \$100 million invested in the proposed center and associated projects by 1980. The city's share will be a new High Street viaduct and widening Naghten Street. Battelle will contribute \$36.5 million for the center under a legal settlement of a controverted charitable trust set forth in the will of the late Gordon Battelle, founder of the internationally known institute. This contribution is expected to double, at least, in private development capital. Already announced is a \$32 million hotel which will be built next to the exhibition hall on the 27-acre tract. A face lifting is underway to the south of the center. Nationwide Plaza is being developed at the southwest corner of Naghten and High Streets while the city will construct Portal Park at the southeast corner of the intersection. Two blocks to the south, the new Federal Building is well underway. It will help serve the area off-street parking garage. Central with an Ohioans have been reading about the proposed

<sup>33</sup> Columbus Dispatch, 16 June, 1976.

development of the convention center for two years. With the essential legal documents approved, bulldozers and other massive equipment will compete with the roar of the locomotives for the next several years. But residents of Columbus should not mind the temporary inconveniences as the convention center nears reality, a center which will add much more than bricks and mortar.

By the first week in July, though, the tune had changed as Columbus city officials became unhappy because it might cost more than \$600,000 to build the railroad depot that was expected to be used for five years at best. 34 During that week, the city's service director began a review of bids and obligations in an attempt to lower costs. J. P. O'Connor Company, Inc., had made the apparent low bid of \$627,778 to construct a present concrete facility to be used after Union Station was razed. The company estimated it would cost \$14,000 less if metal was used instead of concrete. With only three bids at the opening, the service director wondered why there weren't more, especially since the work would not be highly specialized. Under agreements the city made with railroad interests when it purchased the 27-acre depot site in 1973, the city was required to provide terminal facilities during convention the center construction period. Razing of Union Station was to begin November 15. The cost of the temporary facility originally

<sup>34</sup> Columbus Dispatch, 7 July 1976.

was estimated at \$300,000, but the price went up to \$590,000 after plans were drawn. With the most recent AMTRAK ridership figures indicating about 15,000 travelers a year arrived at and departed from the Columbus terminal, the public official's response was "It's pretty expensive for five years considering the number of people who will use it." Part of the cost was for relocating and constructing water and fuel lines and tanks, and for fuel spillage control facilities that the federal government requiring. He said further he would see if the plans could be scaled down to save money, and he might have to reconsider the possibility of using Smith Brothers Hardware Company built at 580 North 4th Street, an idea which was considered not feasible before the larger price tag became known. The new building would belong to the city after its use as a terminal complex. City options included moving it - whether metal or concrete - or attempting to lease it at The city's finance director said the city the same site. would look into the possibility that some money for the utility facilities could be reimbursed by the Battelle Commons Company, which was to build the convention center. He said money for the building would come from unvoted bonds which would have to be paid from the city's general fund and "That's one of the reasons I have great concern."

By the third week in July, the city was seeking new bids for the temporary station. 35 Rebidding was being done in order to cut the \$614,000 price tag to under \$400,000. But troubling was that City Council had to provide authority for the city to enter into a new contract. Time was running short for the new station, since the upcoming Council session on 26 July would be its last until 13 September, when the summer recess ended. At the time, the finance director the mayor, nor the service director had decided to ask Council Monday for action on the station. The finance director noted the metal building proposed in the first bid cost "in the neighborhood of \$200,000. The parking lot, parking lot lights, access road were about \$67,000." But a fuel oil spillage prevention system, required by the U. S. Environmental Protection Agency, added another \$122,000, he said. Moving fuel and water lines, fuel tanks and installing new water and sewer lines pushed the bid up further. The new bids also would ask for a metal building. Cost-cutting possibilities being considered included substituting an all weather gravel parking lot for a paved one and eliminating a concrete curb along the track walkway. At the time, a cost of \$350,000 or \$375,000 on the second bids looked good, but officials were surprised earlier when

<sup>35</sup> Columbus Citizen-Journal, 22 July 1976.

they opened the bids, and it could happen again. Consultant engineers were working now on plan modifications requested by the Service Department. The consultants felt the first bid of \$614,032, lowest of three, "was reasonable." The station would be financed by councilmanic bonds retired from the general fund.

By 1 August 1976, a controversy over the station was getting into full swing when the press suggested Columbus and Cleveland were going about getting new AMTRAK stations in very different ways and with very different costs. 36 Columbus was planning to build a temporary station costing nearly a half million dollars to be used while a permanent station was built in the convention center complex. permanent station was expected to cost about \$1.5 million, a BCC official said. As it stood at that time, Battelle, the nonprofit company, would have to pay for the new station. AMTRAK would not have to finance either its temporary or permanent station. The city of Cleveland, on the other hand, would not pay a cent for its temporary or permanent stations since AMTRAK was footing the bill. What was the difference? In Cleveland, AMTRAK had brought in a couple of large trailers to be used as a temporary station while a new station was being built. AMTRAK would also pay an estimated

<sup>36</sup> Columbus Dispatch, 1 August 1976.

\$600,000 to \$700,000 for the new Cleveland station and the necessary loading facilities. The reason Columbus had to pay for its temporary station dated back to its acquisition (for \$5.9 million) of the Union Station property from Penn Central for the convention center site. Often times, past decisions have impact on the implementation process, as Columbus had agreed in the purchase contract to provide a temporary facility for AMTRAK while the center was being built. The city of Columbus paid the fair market value of the property and no discount was given for the temporary station. The contract left the question of who would build the permanent station unanswered, however. A Battelle Commons spokesman said the company was trying to line up some federal money to help pay for the permanent station but as yet had been unsuccessful. And AMTRAK had flatly refused to provide any money for the station. AMTRAK's refusal. "ties back to the sale agreement with Penn Central. (AMTRAK) maintain the Penn Central trustees are responsible for the new station," according to the BCC official. pressing as hard as we can to get resolution of the problem short of footing the whole bill," he said. Although Cleveland handled more passengers - 5.103 in April compared to Columbus' 683 - the cost of temporary and permanent stations in Columbus was greater because it is a watering and fueling stop for engines and Cleveland is not, city

officials said. Facilities for these services are very costly, the Columbus service director noted. He said the actual building for the temporary station would cost about \$150,000 and "the rest is all outside stuff." The actual bid on the temporary facility was more than \$600,000 but he hoped to "lop off" some of that amount. Columbus was the fueling stop between Philadelphia and St. Louis.

During that same week the question of who was legally responsible for building the permanent train station in the Columbus convention center complex became the topic of debate, and it was revealed the issue might be decided in federal court. 37 What was once a local matter was now taking on nonlocal dimensions. Sometimes local decision makers will look to other levels to rid themselves of pressingproblems. A spokesman for BCC said Battelle did not have the money to pay for the entire station, and it was not Battelle's responsibility to build it. Tipton said it was up to the trustees of the bankrupt Penn Central Railroad, ConRail, AMTRAK, and the City of Columbus to decide who was responsible. Battelle was willing to put up 30 percent of the cost to generate federal funds, and Battelle would leave a space in the center where a station could be built and yo ahead with planning the rest of the complex. He said

<sup>37</sup> Columbus Dispatch, 3 August 1976.

AMTRAK, which operated passenger trains through the city, suggested during a 15 July meeting in Washington that a federal court might have to decide who had to build the Tipton maintained Battelle was not a party to the station. agreement between Columbus and the Penn Central trustees when the Union Station property was purchased. But, Tipton said he believed AMTRAK would eventually have to build a An assistant Columbus city attorney said he station. thought the Penn Central trustees were responsible. While admitting the city agreed in the purchase contract to provide a temporary station for AMTRAK while the convention center was being built, he said, the city, however, did not commit itself to build the permanent facility. But since Penn Central had no money, he felt it was possible that the issue might end up in federal court, and the city could be judged responsible. The preliminary assessment was it might take several years to determine who was responsible. Often times, officials will stall or put off decisions in hopes that the problems will go away. The temporary station, which would cost the city about \$500,000, would be used until the problem was resolved.

And thus, suddenly there were questions concerning both temporary and permanent railroad stations Columbus. 38 It was possible, indeed probable, expediency might be to blame in each instance. The lastest had derailed plans for a new permanent train depot in the center. No one would claim responsibility for financing the \$1.5 million railroad station. BCC, which was picking up much of the tab for the convention complex, said it would pay 30 percent of the depot costs to attract federal funds. City officials stated Columbus was not committed for the cost of a depot - although it was for a temporary stationunder the purchase agreement for the Union Station property. AMTRAK and ConRail also said they had no commitment. former pointed the finger at the trustees of Penn Central which sold the Union Station property to the city for \$5.9 At the proposed depot site near north Fourth million. Street, the initial bid was \$600,00 which included water and fueling facilities. City officials were concerned about this high figure. Some began wondering what type of temporary depot was necessary for a waiting facility for 23 passengers a day based on April figures. Cleveland, which handled more than seven times as many passengers, had a temporary depot consisting of two large trailers and AMTRAK

<sup>38</sup> Columbus Dispatch, 4 August 1976.

was financing both temporary and permanent railroad depots there. Certainly, a facility akin to a mobile home could be comfortably outfitted as a temporary depot in Columbus and later be transferred for use elsewhere by city government it was to be argued. If neither the city nor Battelle were committed to constructing a new permanent railroad depot, then the onus would appear to have been on AMTRAK. But why should AMTRAK and ConRail be subsidized any more than they were by the federal government? Some argued that since airline rates paid for bond issues for Port Columbus; bus lines constructed their facilities; and motorists paid various taxes, such as gasoline and tolls, to retire highway bond issues for the biggest form of mass transportation highways; comparable arrangements for financing a railroad depot should be found.

By now Columbus officials argued the method to solve the dilemma over who should build the permanent AMTRAK station in the convention center was spelled out in the agreement the city signed when it purchased Union Station in 1973. The agreement between Columbus and trustees of the bankrupt Penn Central Railroad said:

If so agreed upon between the city and AMTRAK, the city...shall provide at its expense necessary and adequate rail passenger terminal facilities in

<sup>39</sup> Columbus Dispatch, 8 August 1976.

accordance with terms and plans to be agreed upon between AMTRAK and the city. The new rail passenger terminal facilities, to the extent they are used exclusively for a rail passenger terminal, shall be leased to AMTRAK at an annual rental which will amortize the cost to the city of such facilities over a period of years, which also shall be the term of the lease.

The only hitch in the agreement was that AMTRAK must agree to the plan. At this point in time, it had refused to agree. Controversy arises often in city politics when maintenance or enhancement concerns of organization are affected. The AMTRAK station was needed if AMTRAK was to continue its operations. City government would not respond to that need. The city had as one option using its bonding capacity to build the station with the bonds being paid off by the lease to AMTRAK. That wouldn't involve taxpayers' money, city officials said. The city had a similar agreement with the airlines at Port Columbus to pay for the scheduled expansion of the airport terminal. The city, in the purchase contract with Penn Central, agreed to pay the entire bill for a temporary station while the permanent one was being constructed in the convention center complex. Of course, though, city officials said, the BCC, which took over the job of building the center after the agreement was signed, must be consulted on the train station plans. AMTRAK, however, according to Battelle officials, had said it was not party to the agreement between the city and Penn Central and therefore was not bound by the agreement. City officials believed AMTRAK might be bound by the contract because of its agreement with Penn Central when it moved into Union Station.

As the controversy continued on into September, AMTRAK began considering going to court to stop the construction of the convention center unless Columbus officials decided who would build the permanent passenger station in the complex. 40 If Battelle Commons Company proceeded with the construction of the \$80 million center without first satisfying AMTRAK that adequate passenger train facilities would be provided, AMTRAK might seek an injunction to stop the project, said AMTRAK's director of state and local affairs. BCC officials had been saying they were unable to find money for a permanent train station and would proceed with the center leaving a space in the complex where a station could be built when money was found. that was the case, the AMTRAK officials said "we would have to look into that pretty carefully." And saying further "We might seek an injunction in that situation. I hope it doesn't come to that. I hope we can work something out." AMTRAK believed Columbus was liable for the construction of both a temporary station to be used during the construction

<sup>40</sup> Columbus Citizen-Journal, 11 September 1976.

of the center, and a permanent one. The cost was estimated at between \$400,000 and \$600,000 for the temporary station and \$1.5 million for the permanent station. AMTRAK signed a contract with Penn Central in April 1971 saying Penn Central would provide AMTRAK with stations rent free through 1966. Penn Central promised to replace "in a form acceptable to AMTRAK, any facility which they sold, leased, or demolished, which was required for AMTRAK service," the official said. The railroad sold Union Station to the city. Normally in such a sale, he noted, provisions were made for someone to be responsible for construction of a permanent station after the existing one was razed. This didn't happen in Columbus, A source of great puzzlement to the AMTRAK he said. official was the contract clearly stated Columbus responsible for the temporary station but didn't say who was responsible for the permanent one. Neither Penn Central nor the city bothered to contact AMTRAK during the dealings, and Penn Central should have because it had the contract with AMTRAK, he said. "Apparently Penn Central was very anxious to sell the property and there was some sloppy agreement believed drafting," he said. AMTRAK Columbus responsible for the stations, because the transfer of the property was handled through condemnation (eminent domain). "In any such condemnation, the acquiring governmental entity is obligated to notify all users of the property in question," according to the official. "Unfortunately, in this case, AMTRAK was never notified by the city and therefore was not made a party to the condemnation proceedings." Further, "had we been notified, we certainly would have insisted on our rights to a cost-free replacement station," he said. The AMTRAK officials argued further the sale could have been handled in either of two ways: Penn Central could have sold the property to Columbus and agreed to build the new station, or Penn Central could have sold the property to Columbus at a reduced rate, taking into consideration the cost of the stations. Penn Central was legally responsible for the stations under its contract with AMTRAK but probably had escaped that responsibility because of the way Columbus acquired the 27-acre site, he said. The official went on to say AMTRAK had agreed to use a temporary station while the center was being built, a period estimated at about three years. But AMTRAK would not be satisfied using the temporary station permanently because the location chosen for the station would require passenger trains "to back up to get in there. That will cause delays." AMTRAK view was the permanent station must be able to handle both AMTRAK's National Limited, an east-west train, and the proposed north-south train linking Cleveland, Columbus and Cincinnati. The north-south route "is the kind of thing that will ultimately come to pass. There is a pretty significant market for the route," he said. Both routes could be served by the present AMTRAK station and a permanent station in the convention center but not by the temporary station. Both the temporary and permanent stations would be expensive because Columbus was refueling, watering and inspection stop for engines traveling between Philadelphia and Kansas City. Continuing, said "unfortunately" there would be duplication in building the two stations and a lot of money would go down the drain because of the importance of the Columbus station. "We haven't got much choice. Columbus is a 500-mile inspection point (a federal requirement) and also a refuling and servicing point, " he said. AMTRAK could never agree to pay for the Columbus stations, the official argued, because that would set a precedent that "would ultimately cost us, the taxpayers, a lot of money." He said other communities across the country would expect the treatment. Cleveland where AMTRAK was providing a temporary station, was a different situation because AMTRAK chose to leave Cleveland's terminal, saying it was too costly to operate there. AMTRAK was in favor of the convention center development and was willing to work with Columbus and BCC, he said. But AMTRAK "must protect the taxpayers by pressing AMTRAK's rights to an adequate replacement station to serve the people of Columbus," he said.

While this official was talking injunction, it may not have meant that any such court action would involve an attempt to prevent construction of the convention center. 41 For AMTRAK's special representative said in the same time frame that AMTRAK officials had not discussed a court injunction "to the best of my knowledge." The influence of local officials often transcends their local environment, as this official stated AMTRAK was looking for cooperation-not confrontation. Thus Columbus officials and those of BCC must have been confused by AMTRAK's two faces. One statement by an AMTRAK official threatened a lawsuit, and this was followed up by a contradictory peace offering. Some in Columbus were hoping the second replaced and repudiated the initial threat because intimidation hardly was the way to settle a disagreement without long-lasting, bitter feelings on each side. The subsequent statement by AMTRAK declared the "last thing we want to do is stop that project (Columbus Convention Center). " Columbus officials - and concurred - agreed to construct the temporary depot but there was a question as to the commitment to finance the new permanent railroad station. The temporary depot would cost up to \$600,000 - a portion for refueling and servicing trains - while the permanent station would approximate \$1.5

<sup>41</sup> Columbus Citizen-Journal, 11 September 1976.

million. Columbus purchased the depot property from the old Penn Central Corporation which AMTRAK said may responsible for the depot. But maybe the argument was between the two railroad firms since AMTRAK signed a contract in 1971 with Penn Central with a promise by the latter that AMTRAK would have a rent-free depot in Columbus through 1996. So perhaps AMTRAK had reconsidered its legal position regarding the city's responsibility for a new permanent depot. If there were a thriving railroad passenger service in Columbus, some argued the citizenry might have arisen and demanded additional taxpayer money to construct the station. But AMTRAK ran only the National Limited through Columbus and passengers totalled 23 per day as of April 1976. Its then present schedule was in the wee hours of the morning but that was being reconsidered. AMTRAK already was being financed heavily by the federal government and 23-passengers-per-day did not constitute a mandate to the city. It was hoped that the two approaches by AMTRAK officials were not contrived and the railroad was willing to cooperate without holding a sword of a lawsuit over the head of city officials. Resolving the issue was essential to assure minimum delay in building the longawaited Columbus Convention Center.

As mid-September approached and as the smoke settled, the parties involved AMTRAK, ConRa 1, Columbus, Penn

Central, and BCC, apparently agreed on one thing, the confusion would probably never be cleared up until the problem was taken to court. An assistant Columbus city attorney said he received a letter from Penn Central a week earlier explaining Penn Central's and ConRail's positions: Penn Central didn't believe it was riable since it signed over all its assets to ConRail, and ConRail said they weren't responsible because they didn't take over Penn Central's passenger operation. And as far as the city's position, he said,

"There was nothing in the agreement (between the city and Penn Central when the Union Station property was purchased by the city for the convention center—site) to commit the city to build a new passenger station." "If there is anything clear in the agreement, it's that the city wasn't responsible for the permanent station.

AMTRAK argued it was entitled to a cost-free station in the convention center because of contractual agreements it signed with Penn Central in 1971 saying either Penn Central or Columbus was responsible. AMTRAK officials, however, were now taking the position that Columbus should sue Penn Central arguing Penn Central made the agreement to provide rent free stations to AMTRAK through 1969. The seemingly clear-cut legal commitment was clouded due to the fact that Columbus took over the Union Station site through

<sup>42</sup> Columbus Dispatch, 19 September 1976.

condemnation (eminent domain). The city should have seen to it that Penn Central acknowledged its commitment for the station in the land transfer agreement AMTRAK officials said. The city, at that moment, didn't believe it should have to sue Penn Central. Columbus' finance director said, "I think it is AMTRAK's role to sue Penn Central. AMTRAK had the agreement with Penn Central. I think it is Penn Central's obligation and responsibility to pay for the station," he said. And what were BCC officials thinking? They were wishing somebody would do something. They had an \$80 million complex to build. As one elected city official would tell the writer concerning site selection, "I don't see it as a mistake...but I saw it as a problem, and I still see it as a problem."

But Columbus also has support in Washington. <sup>43</sup> As the controversy continued to build, U. S. Representative Samuel L. Devine, R-Columbus, who incidentally was running for reelection that coming November, entered the frey, by asking AMTRAK for a report on its position on negotiations with Columbus officials for the permanent train station. In a letter to the president of AMTRAK, Devine wrote,

As the ranking member of my party on the House Commerce Committee, with jurisdiction over transportation legislation, it would be vital to

<sup>43</sup> Columbus Dispatch, 20 September 1976

receive a complete report on AMTRAK's progress in negotiations with Columbus and Battelle Commons officials. It is especially important that local officials not be threatened by court action to halt construction on the convention center. Over the past few months, I have been in direct contact with Columbus officials and must reiterate their strong concerns that this matter be resolved in the best interests of all parties concerned.

While there was some contradiction becreen the statements of the two AMTRAK officials, both said they wanted to solve the impasse at the negotiation table. Both were adamant, however that they believed AMTRAK was entitled to a cost-free station in the complex. Devine said the two statements by the AMTRAK officials had "caused great confusion" in the Columbus area:

This center is a vital part of our downtown revitalization and integrates not only the convention space, but multi-mode transportation facilities... Within this week, I have discussed this matter with Columbus Mayor Tom Moody, and his interest lies in a solution that will provide for both the short-term and long-term needs of this important Central Ohio facility.

With Devine now carrying the ball, Columbus had won a significant victory in the U.S. House of Representatives, by the last Tuesday in September. 44 In his effort to provide a temporary solution to the railroad passenger station problem at Columbus, Devine sponsored an amendment to a comprehensive railroad bill in the House to help ease

Columbus Dispatch, 28 September 1976.

financial problems in building the new AMTRAK passenger station. On Monday, 27 September 1976, the U. S. House approved on a voice vote an amendment by Devine which opened the doors for AMTRAK to build the temporary station. The station would replace the old Union Station, sold to the city under condemnation proceedings, and would fill the gap in passenger facilities until AMTRAK constructed the new and modern station in the planned convention center on the site of the old station. The Devine amendment would authorize an outlay of about \$650,000 by AMTRAK for construction of the temporary station and would authorize the National Railroad Passenger Corporation to provide the funding. Devine explained to the House that

responsibility for that cost...should rest with the trustees of the Penn Central railroad. reason for this is that when AMTRAK agreed to take over the rail passenger service of the Penn Central, the Penn Central Company and all other railroads agreed to provide station facilities for AMTRAK for a period of not less than 25 years. amendment simply includes a category whereby AMTRAK can receive funds for the building of temporary station facilities whenever a bankrupt railroad has sold its old passenger station out from under AMTRAK and without its consent. is a situation where the money expended by AMTRAK should eventually be repaid by the trustees of the bankrupt Penn Central. In the meantime, it will permit the people of Columbus to have a rail passenger station.

The Devine amendment would apply not only to Columbus but to any other city faced by the same problem of losing rail passenger facilities as a result of a sale by several

railroads of their passenger stations without the consent of AMTRAK. While Devine was jubilant over his victory in the House, he was somewhat wary of what might happen to his amendment in conference with the Senate on new railroad legislation. In essence, the next step would be to persuade the Senate to accept the Devine amendment for its own comprehensive railroad bill.

But Devine need not have worried. The House-Senate conference report on legislation updating railroad laws included the House-approved amendment to clear the way for construction of the temporary passenger station. 45 Devine's proposal called for a \$650,000 allocation for the temporary station, to be advanced by the National Railway Corporation and later filed as a claim against the bankrupt Penn Central railroad in the future. Under the conferee's change, AMTRAK would first have to go to court to establish the validity of its claim against Penn Central, but Devine anticipated no difficulty on that matter. He pointed out that while AMTRAK had a contract with Penn Central for maintenance of passenger stations for 25 years, the railroad had violated that contract at Columbus by selling its passenger station there to the city under condemnation proceedings. Agreeing with this view was an aide to Ohio Senator Robert Taft, who

<sup>45</sup> Columbus Dispatch, 30 September 1976.

said that after discussing the matter with informed people, that "I would say there is a reasonable chance of recovering," from the bankrupt railroad. "I think so, too," added an assistant Columbus city attorney, in Taft's office on another matter. The conferees had reported to the House and the Senate, and Devine said that "there is a good prospect" that it would be approved by the House, at least, the next day. "I think it is very good legislation, very much in keeping with the needs of the people of Columbus and the vicinity," Devine said of his amendment. "The \$650,000 cost of the project is very little when we consider that most spending around there is done in billion-dollar figures, and eventually even that cost will be recovered."

though. 46 Penn Central must pay AMTRAK for the new temporary facilities, only if AMTRAK obtained a judgment that it was Penn Central which failed to tell AMTRAK about losing the Union Station. Later response came from an AMTRAK official who felt his organization would have to get the bankruptcy court in Philadelphia to recognize this claim, which might be very difficult. "This could be a long and sticky road. Everything is very vague, he said. A spokesman for Devine said a staff member of the House Commerce Committee was to

<sup>46</sup> Columbus Citizen-Journal, 30 September 1976.

meet with AMTRAK officials to plan action AMTRAK must take to get funds for the station. The legislation had been sent to President Ford and was expected to be signed within a week, he said. AMTRAK could begin court action against Penn Central by late October. The Devine adie said "AMTRAK must seek and receive a judgment from the court that Penn Central is liable and should follow the terms of the 1971 contract before federal money could be spent for the Columbus station."

On 4 October 1976, as the damper was placed on the AMTRAK controversy, Columbus City Council approved spending \$188,606 for the first street project in the planned convention center area. 47 The money would pay for construction of the connector street between Front Street and Marconi Boulevard at the northern edge of the Downtown area. Construction of the connector was a precondition before other street projects such as reconstruction of the High Street viaduct and of Naghten Street could begin.

By the end of the first week in October, a significant first was taking place as some buildings near historic Union Station tumbled down. 48 Citizens now had the first visible sign that a convention center really was on

<sup>47</sup> Columbus Dispatch, 5 October 1976.

<sup>48</sup> Columbus Dispatch, 8 October 1976.

its way, as wrecking crews were well under way with the first phase of demolition of store fronts which flanked the historic terminal building. Clyde Tipton said demolition would be done in four or five phases. Store fronts along the east side of High Street north of the terminal's colonnade entrance were gone. Next would be east side south of the arcade, to be followed by west side stores and finally the terminal, he said. According to Tipton this meant "We're getting a little bit closer to going ahead with real construction." He added, "Now the (High Street) viaduct will be in a position that it can be removed and the tracks can be relocated."

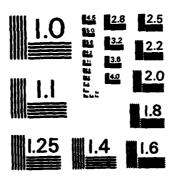
As mid October approached, Tipton told a group of Columbus businessmen it might be taking a long time to get the convention center built, but it would be worth the wait. 49 Speaking at a Rotary Club of Columbus luncheon, he said in light of the fact that plans to build the convention center were announced more than two years ago, "People are asking, 'What's taking so long?'" His response was the time had been well-spent to ensure that the complex would be a profit-maker. "Two years is a long period," he stated, but the time has been spent trying to acquire federal funding and attract private capital "so it can be debt-free and not

<sup>49</sup> Columbus Dispatch, 12 October 1976.

subsidized by the taxpayer." Convention centers generally taxpayer-supported and usually lose money, he pointed out. As examples, he noted the subsidized facilities such as the one in Las Vagas lost \$740,000 in 1975; the convention center in Cleveland lost \$725,000; Detroit's lost \$500,000; and the cent in Indianapolis lost \$350,000. Tipton said he "couldn't find anywhere in the world where a convention center was built by private enterprise." Columbus \$80 million Columbus convention center, which was to be an unsubsidized public-private venture, was designed "to operate in the black all the time," Tipton said. To do that, private capital must be attracted to the site. Planned private investment included the hotel, theater, and shopping mall. And although there had been a controversy over who was responsible for building temporary and permanent AMTRAK stations at the site, Tipton said he was confident "we can work around the problem."

At this time, demolition of some storefronts on the convention center site had begun, and ground-breaking was scheduled for early 1977. Groundbreaking was originally scheduled for 4 July 1976. Tipton estimated it would take two and one-half years to complete the public portions of the convention center. The hotel should be built within two years of groundbreaking.

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MICROCOPY RESOLUTION TEST CHART NATIONAL BUREAU OF STANDARDS - 1963 - A

Also during and after the Rotary luncheon, Tipton cleared up speculation on the center's hotel. 50 Discounting a published report in a building industry newsletter, that Hilton Hotels Corporation had been selected as the manager of the hotel, he said he had narrowed the names to two national chains: Hilton and Hyatt. Final agreement had been reached with neither, and each refused to let BCC use its name until a contract was signed. He had told Rotarians that while a hotel operator had yet to be selected, "Your're going to be proud of the one that ultimately puts its name on the bottom line." After the Rotary Club luncheon, he said negotiations were taking time because "we want to insure we have a hotel operating on a high-class, profitable basis and if it's not, we can get out. " He noted the standard hotel management contract was for 25 years with a 20-year renewal at the option of the manager. want to give away our hotel for 45 years without some assurance it will be a high-class profitable operation, Tipton said. He reported BCC wanted some sort of provision that would make the manager share some of the risk. As an example, should the hotel not be making a profit, the operator could invest his own money to remedy the situation or if he didn't, BCC could terminate the contract. "This is

<sup>50</sup> Columbus Citizen-Journal, 12 Octobe 1976.

what's taking time, "Tipton noted. "The hotel industry has never been confronted with something like this." The hotel was planned to be built by Venturi International, an Atlanta developer which had built such show place hotels as the Hyatt-Regency in Knoxville.

on the convention center, which he called a multi-use multi-purpose civic center. Noting the planned convention complex in Columbus was the only one he was able to find in the U.S. which was built by private enterprise and designed to operate without a public subsidy, he said the company had taken great pains in planning to make it a self-supporting complex. Having said Battelle had studied operations at 70 convention centers across the nation to insure the losses annually incurred in other cities did not happen in Columbus, he priced Phase I development at \$80 million, up from original forecasts when the plan was first announced in 1974. The initial development at this juncture would include

Exhibit Hall - 85-90,000 square feet
Meeting Rooms - 35,000 square feet
Ballroom - 20,000 square feet
hotel - 730 rooms
retail space - 65,070 square feet
parking space - 2,000 cars
multi-modal bus-rail transportation center

While Phase I developments would occupy about half the total site. Tipton expected the remainder to eventually be

developed with possibly another hotel, more retail space, an office building, or perhaps even residential units if downtown living became attractive. Phase II development was westimated by him to cost about \$125 million in 1976 dollars.

During this same time frame, a tentative agreement was nearing between Columbus and ConRail which would allow the city to begin construction of the temporary AMTRAK station in November. 51 Talks had snagged over the issue of a \$122,000 oil spill prevention system, and ConRail wanted the city to be financially responsible for the system if the Invironmental Protection Agency (EPA) deemed one necessary. The "wo sides agreed the city would not be required to install the system if it was found oil spillage was due to negligence by ConRail. Meanwhile, the city's service director intended to seek new bids on the temporary station in order to get construction started in November. In the previous July, a Columbus contractor submitted the low bid of \$627,778. The bid included the oil spill prevention system. A lower bid was hoped for the second time around. At this time also, the site of the station remained east of 4th, between the 4th street viaduct and the Innerbelt in the train yard, and the station would still be a temporary

<sup>51</sup> Columbus Citizen-Journal, 13 October 1975.

facility for AMTRAK passenger operations until the transportation portion of the Ohio Center was completed.

As the third week of October began, Tipton announced a construction agreement would be signed and an operator salected within two weeks for the \$32 million hovel. 52 Officials of Venturi International, the developer, and BCC would sign an agreement for the hotel to be built. At the same time, Venturi, through its subsidiary, the Tensor Corporation, in conjunction with Battelie officials, would select an operating firm to lease and operate the hotel. The subsidiary was the company which Venturi, a partnership, used as a development agency. Tensor would arrange for construction of the 17-story, 730-room hotel that would be leased by the operators. Under the agreement expected to be signed, BCC would receive percentages of income from the notel operation. The hotel would be on city owned land and be owned by Columbus after 75 years. Tipton expected hotel construction to start at least by the middle of 1977 and the building completed and open within two years. Battelle had approved "schematic plans" for the hotel, which involved acceptance of plans for various facilities in the hotel. Meanwhile, BCC hoped bids for center construction to start in early 1977. The hotel was expected to be completed a few

<sup>52</sup> Columbus Dispatch, 21 October 1976.

weeks before the convention center, to give the operator "a shakedown" period before convention business started. Tensor planned to hire the construction company, which might be a combination of the John W. Galbreath and Turner Construction Companies, Tipton said. Turner had been previously named construction manager for the convention center.

As October was nearing an end, City Council dissolved the Ohio Center Authority, the organization created in December 1972 to get convention center plans off the ground. Si With BCC now holding that responsibility, the Center Authority was no longer needed. One outcome of this decision was the city would collect \$75,000, since the Authority had collected \$120,000 by renting space in the old stores along North Righ Street where the convention center was to be built. About \$45,000 of that amount would be paid in property taxes and possibly dissolution fees payable to the state. The money would go into a city fund for development expenses and might be used toward paying for the temporary train station.

One week prior to the end of October, architects were getting down to the nuts and bolts stage as achematic drawings which showed the layout of space in the complex had

<sup>53</sup> Columbus Dispatch, 22 October 1976.

been completed, and architects were preparing final construction drawings. 54 With other buildings on the site being demolished, the last, the Union Station itself, was expected to be razed in late January or early February. The late depended on when the temporary AMTRAK station was ready to serve passengers and trains. Surveyors were presently working on plans for reconstruction of the High Atreet viaduct, and it was planned to be demolished soon after the first of the year with reconstruction possibly complete by May or June. At the time, preparation of the convention center site could be started in Pebruary or March, with foundation work started sometime in the first half of 1977. The schematic drawing for the complex approved by the BCC board of trustees showed a five-level facility with the too level encompassing a 65,000 square foot exhibition hall and a 25,000 square foot ballroom. The two spaces on the top level could be combined if a convention needed 90,000 square feet of space, which probably wouldn't happen often, Tipton said.

## Sumacy

As we conclude this chapter, it appears, then, the first two years with BCC at the telm were filled with routine and mundame activity and some controversy.

<sup>54</sup> Columbus Dispatch, 24 October 1476.

importantly, dur ing this period, formulation and legitimation activity continued as BCC was basically being established as a quasi-public entity to build the convention center. Such creation tends to take time. It was two years after the initiation of the "Battelle Alternate Plan" that the corporation had legitimate authority to proceed with the In 1974, political and business leaders recognizing the occasion for decision due to the lack of finances jumped upon the Battelle concept. But it took until the Spring of 1975 before council passed a resolution of intent for the city to work with SCC. Then in New 1975. Pranklin County Common Pleas Court finally approved the Battelle Trust settlement. Thirteen months later, in June 1976, council legitimated agreements between the city and BCC authorizing the latter to redeveloo the Union Station site. Finally in October 1976, the Ohio Center Authority was disbanded clearing the way for Tioton and company. And although not too significant here, some people wondered why ground was not proten on 4 July 1974. Tipton was in many respects during these two years, still a "PP" man, but now in the public sector to implement the community's intention.

One of the significant points to be noted here is that formulation and legitimation become intertwined with implementation because policy is constantly being reformulated and religitimated while implementation is

formal legitimacy, began implementation activities. Tipton completed his resource staff, the board was established, and routines established. A master plan of activities was presented, and Tipton began to make design changes.

But more important is the controversy. After a policy decision is made and implementation activities begun, often a lot of other governmental officials and a number of actors outside the government also get heavily involved. Implementation may be the responsibility of bureaucrats, but a number of others get involved, such as private citizens and groups. And often that involvement is tied to applications for benefits. Take for example the Lazelle interests.

Another point regarding implementation is the federal system adds layers of complications and actors to the implementation process. Consider the AMTRAR controversy. A variety of actors including the U.S. Omgress act involved before AMTRAR got its temporary station. The problem for AMTRAR, though was the agreement to build the station had a goal dimension but none of intent. The strategy in opposition to AMTRAR is also interesting in reflecting on the Columbus experience: It is a good example of how local government officials manipulate responses for maximum public relations effect.

## Chapter Four

## DANIEL BURNHAM'S GREAT ARCH: PRESERVATIONISTS ATTEMPT TO MODIFY A CONCRETE PROPOSAL

No great advance has ever been made in science, politics, or religion, without controversy.

Lyman Beecher

## The Controversy: To have the Union Station Arch

In late October 1976, Battelle Commons Company, as it were, was "now in charge" of convention center development. Resources has been acquired for all but the hotel, and a corporate entity had been established. But often, the formulation and legitimation of objectives in the planning process became intertwined with implementation activities. And often times, objectives appear visibly legitimate, but sometimes they are still being debated. At this point in time, final construction drawings were being prepared, but the Union Station building had not been razed. Perhaps some interests in the community wanted it to be preserved. At any rate, as Tipton and Company attempted to clear the site, he would come nose-to-nose with Daniel Surnham's shoot in addition to other forces in Columbus city politics.

At 6:00 P. M. on Saturday, 23 October 1974, demolition of the historic Union Station arcade was stopped subsequent to a restraining order issued by Franklin County Common Pleas Court Judge George Tyack. Attorney William C. Brownfield representing the Ohio Eistorical Society asked for the restraining order, saying "There's a fair amount of the arcade left." The complaint was filed against Clyde Tipton, president of BCC, and the company to stop demolition because the landmark was on the Federal Register of Historic buildings. As background, wrecking crews of Loewendick and Sons, Inc., under cover of darkness, had moved in and begun wrecking the arcade about 6 P.M., Friday, 22 October 1976. Tipton with the approval of his board, had sanctioned the demplition activity. The Ohio Historical Bociety (OBS), a state organization, had opposed. controversy had begun. The ORS had contacted Scounfield that Saturday afternoon. Afterwards, he had written the complaint, and had Tyack sign the restraining order by 5:45 P.M. Nork stopped about 6 P.M. when Brownfield gave the demolition crew superintendent a copy of the restraining order. The suit was filed because MC2 did not follow proper procedures in planning the building's Jenolition and because federal funds might be spent on the convention center

<sup>1</sup> Columbus Dispetch, 24 October 1976.

project. Federal funds, it was argued, could not be used to raze buildings on the register or to build new buildings on sites where buildings on the register once stood.

Tipton's response to the press earlier that Saturday was that no federal funds were being spent on the demolition project and that BCC did not plan to use any federal funds to build anything on the arcade site. However, Brownfield raised the question of whether federal funds would be used in building the new train station in the convention center to replace the old Union Station. Brownfield also argued that the administrator of the society's Onio Historic Preservation Office also a plaintiff in the suit, was not consulted as she should have been before demolition began. He further stated 'The historical society had reason to believe that there would be no demolition."

The weekend of the demolition, with no hearing date set. Brownfield attempted to work out a compromise with Tipton; one which would allow demolition of other parts of the station to continue, but which would spare the arcade from demolition while a feasibility study could be made on saving the landmark, built in 1997. Although there had been talk of incorporating the arcade into the new new convention

<sup>2</sup> to 1.

Ibid.

center, the president of the demolition company, said the arcade's demolition had always been part of the station razing project. A trustee of the historical society from Chilicothe, Ohio, who also was an urban affairs consultant, said it was "incredible" that the arcade was being demolished, "without public notice." Saying he had talked to Tipton about 10 days ago and was assured that the arcade would not be demolished for another two weeks, he had offered to have structural engineers inspect the arcade and to investigate financing of restoration. Further, Tipton offered to set a meeting with him to discuss the proposals. Warren Cremean, vice president of BCC, in explanation, said the decision to demolish the arcade was made the past Tuesday at a BCC board meeting. His rationale was "There's no way to justify investment of money into (the arcade) when the money is needed for other purposes, " estimating it would tost more than \$1.5 million to repair the deteriorated structure. Tipton said BCC looked for funding for more than two years to save the arcade but could not find any. Apparently, after demolition of other parts of the stations started, it became apparent that the arcade could not be saved, since beams were corroded and walls had been eroded by water leaks.

With demolition started, Tipton announced the Italian Village Society would get four statues from the top of the

arcade providing they could obtain "a park-like setting" for them. Earlier during the day after demolition began, the chairman of the Italian Village Commission, of which the society was an arm, said Tipton repuffed him and told him the wrecking company would get the statues. Tipton said there was a misunderstanding and that Loewendick had merely tarted the statues away for safe keeping only, since he wasn't about to hand the statues over to just anybody. The statues would be turned over to the society at a formal secemony ande a "park-like setting" was found for them, he taid. Mowever, he said. "If they don't have some plan to ise them, we might so ahead and use them. The 1-foot tall statues, each depicting a shield being held by two cherubs. were at the four corners of the top of the arcale. arcade was built in 1990 and was on the Federal Resister of Historical Buildings. Warren Cremean, wice president of BCC. said these wese ha federal restrictions against teating down the accede, hat it would near that no federal funda would be available for other construction on the site. Tipton was" not aware of any plans we have that would use

<sup>4</sup> Columbus Dispatch. 24 October 1976.

<sup>\*</sup>A Quick Goodbye to a Downtown Landmark. \*\* Columbus Monthly (January 1977): 57.

federal funds now to build anything on that site. We have no federal money in this project at this point."

As the controversy continued, it would be argued neglect had gotten to the historic Union Depot before the wrecker's crane, and between the two only the main arch and several smaller ones were left for the Ohio Historicald Society to save. Meanwhile, attorney Brownfield attempted to work out a tentative agreement between the OBS and BCC to allow demolition to continue around what was left of the arcade. If Battelle Commons lawyer: agreed to the plan, the restraining order would be dismissed. Brownfield said. An OMS official in response said the agreement didn't mean 'we've won the battle, but we haven't lost all of the arcade...and we've bought some time." However, \*dministrator of the society's Historic Preservation Office, thereed the group had been misled about MCC's intentions to save the accade. "We were led to believe preserving the arcade was one of their top priorities, and never were told their plans in fact called for demolition," she said. then 79 year-old depot was designed by the firm of noted Chicago architect Daniel Burnham. Burnham was architect of the 1893 World's Johnstian Exposition.

<sup>6</sup> Columbus Citizen-Journal, 23 October 1976; and Columbus Dispatch, 25 October 1976.

Brownfield's complaint was federal funds might be used in the convention center, and U. S. regulations said government money was not to be spent to destroy buildings on the National Register or build new ones in their place. A BCC officer had said the corporation's thinking was the law only prohibited using federal money for demolition of an historic building or constructing a private investment on the site "for a fast tax write-off." "The building was Columbus" best example of Beaux Arts classicism," the ORS official commented. Another Burnham structure in Columbus, the then condemned Wyandotte Building at West Broad and Wall Streets, was also on the National Register, she said. "Most of the colonnade was already down when we got to the point of the restraining order," Commons President Tipton said. Weathering, lack of maintenance and erosion of support beams under the arcade, which actually were two stories high to meet the Righ Street viaduct, doomed the structure, Tipton explained. We hadn't realized how bad it was until we started nine days earlier at the north end of the terminal. "It was about to fall and there was no way \$1.5 million would take care of it." "It was our board's decision it makes no sense to spend anyone's money to save the building, falling apart as it is," Tipton stated. He said a claw

<sup>7</sup> Columbus Citizen-Journal. 25 October 1976.

bucket rather than a wrecker's "headache ball," was being used to take the building down slowly because of fears debris would otherwise crash through the weakened superstructure onto railroad tracks below. Tipton also noted BCC's attorneys didn't thin, the Convention Center would lose federal money in the future oven though buildings on the National Register had partial legal protection. Further support came from the president of the wrecking company who said, "It's in such shape that various pieces could have fallen off at any time." His feelings were the arcade "really should have been roped off a year or two age." "It's lucky that trains underneath didn't bring it fown before," he said.

Although Brownfield felt both sides could live with the agreement discussed Sunday afternoon in Tipton's car at the depot, an OHS administrator was still critical of BCC for not applying for U. S. Interior Department preservation money which she had told the company was available on three occasions. We talked to Mr. Tipton as recently as a week and a half ago, and he said there were no immediate plans for demolition, she said. Engineers from the society were to inspect the arcade remains the Monday after demolition started to determine how to salvage them. Tipton said

Bidl<sup>8</sup>

pieces of columns, statues, decorative work and other parts of the arcade were being stored for the italian Village society. He said he had an "off the record" discussion with a society trustee two weeks ago about preserving parts of the arcade but pointed out to them it was in "bad shape."

Meanwhile, on Monday October 25, 1976, demolition of the portions of Union Station along North High Street continued after the Ohio Historical Society (OHL) and BCC agreed to preserve what was left of the station's arcade." While further demolition of the arcade was blocked, part of the agreement between Tipton and Brownfield was to allow demolition of other parts of the station along North High 3treet to continue. In a generous mood, Tipton said that while demolition was stopped for about 30 minutes, BCC would not attempt to charge the historical society for wasted time. Under terms of the agreement, which would be formally signed that Monday, the OHS would remove the main arch of the arcade and one smaller one that remained and determine what to do with the arches. While Tipton said there were no plans to incorporate the main arch from the arcade into the new convention center, Brownfield said that point hadn't been worked out yet. However, he noted the arch was depicted in an artist's drawing of the proposed 17-story,

<sup>9</sup> Columbus Dispatch, 25 October 1976.

730-room hotel which appeared in a local newspaper. Tipton said he didn't think the remaining portions of the arcade were a hazard to passerbys, since city safety inspectors had probably already checked them. Brownfield said engineers were to look at the remaining portions of the arcade later that day to determine how they should be moved. Tipton didn't know how long it would take to remove the arches, but said, "We're not going to be mean and ugly about it. If they say it's going to take two weeks or two months to do it, that's OK. The change in demolition plans would now also affect the Italian Village Society which was to receive four statues from the top of the arcade, Tipton said. Tipton said the statues, which were removed from the top of the arcade would be turned over to the ORS. Thio Historical Society wants those statues. And I think we would be hard pressed to say that they couldn't have them. They are part of that (arcade), he said. Battelle Commons had originally promised to give the three-foot tall statues, each of which depicted a shield be held by two cherubs, to the Italian Village Society.

As the controversy continued, one possible impact of the decision to raze the arcade became clearer in that BCC officials may have been taking a gamble that the demolition of the arcade would not cause the loss of millions of dollars in federal money earmarked for the Columbus convention center complex. 10 The arcade, built in the late 19th century, was on the National Register of Historic Places and federal law did say that federal funds may not be used to build new buildings on sites where buildings that were on the register once stood. For a layout plan for the entire convention center complex, released the previous week by BCC, clearly showed that the transportation center for TOTA was planned for the area where the arcade then remained. A grant request to the federal UNTA had been made for the construction of the transportation center. COTA's executive director, said that the proposed grant would be in the millions. And, since Battelle was making the request for the grant and was also putting up matching funds, he was surprised when he learned that demolition had started on the troade. He said

When I heard about it I wondered to myself if we were liable not to get any funds now. I would seriously doubt that federal funds would be made available for the construction of a building on a site previously occupied by a building that was officially on the national register. This was an opportunity to blend the best of the old and the new. Maybe structurally it had to come down, but they could have told us about it.

Clyde Tipton, president of BCC had told the press that as late as 11:00 A.M. Friday that no decision had been made on what to do about the historic arcade. Then, under the cover

<sup>10</sup> Columbus Dispatch. 28 October 1976.

of darkness, with the apparent support of the BCC board, that same day, demolition crews moved on to the site and began ripping the arcade apart. Tipton and Cremean both wild that attempts to find funding for renovation of the press what Battelle would do if the federal government refused to grant money to the complex project because of the arcade situation, he responded, "If there is any real care or concern that nothing can be built there, we'll just move the transportation center back a few feet (to the east)." Tipton had earlier told the press that BCC did not plan to use any federal funds to build anything on the arcade site.

In a later development, a spokemman for the Italian "illage Society said that organization might now take legal action trying to get possession of four statues removed from the top of the arcade. 11 A society trustee, said the society had a letter signed by Tipton shating that the three-foot tall statues, each showing two cherubs holding a shield, would be given to Italian Village. We said the letter dated August 18, stated in part

if the building (arcade) was to come down...we (Battelle Commons) will make every effort to remove and deliver to your (Italian Village)

<sup>11</sup> Ibid.

designated custodian...these statues to be held in the care, custody and control of the Italian Village Society.

Tipton had stated Monday, 25 October, that although the statues were promised to the Italian Village, they would be turned over to the historical society because it had requested them. The official said he had no objections to the statues remaining at the convention center site. But, he said. "We want to be sure that they will be used. I don't think they can be used. I don't think they will be used." "The portion of the arcade remaining would hold only two of the statues, he said. "I know they won't be able to use more than two." The society wants any statues that were not to be used at the convention center site, he said.

In later defense of BCC's position. Marren Cremean, vice president of BCC, would tell members of the Columbus 3ar Association at a luncheon on 27 October, at the Neil House, that demolition of the historic Union Station arcade was inevitable and nothing short of a massive restoration could have saved the historic arcade entrance at Union Station. 12 Cremean told the lawyers... You can't always believe everything you read in the newspapers, referring to

<sup>12</sup> Columbus Dispatch. 29 October 1976.

news accounts which indicated that Sattelle officials waited until dark to begin demolishing the historic arcade to avoid attracting attention. Cremean said further,

For two years, we worked on funding for the preservation of it. Preservation, that's a bad word. There is no way you could preserve that arcade. You could restore it, but you couldn't preserve it. I don't know what purpose would have been served by notifying them (CRS officials).

said the question of whether the arcade could be incorporated into the convention center had been studied for two years and that no feasible way ever surfaced. "There's no way you could have preserved that historic arcade, " Cremean noted. His explanation was the structure suffered from "a complete lack of maintenance...some of it had disintegrated," and "the beams that support the structure aren't even there any more," adding that any hopes of restoring it vanished when it became apparent that there was no money available for the job. Gremean explained that architect's drawings showing the main arch of the arcade incorporated into the convention center were based on the assumption that federal funds would be available to preserve it. He said it was just as unlikely that the arcade could have been moved elsewhere because, "It's so fragile, if you started to move it. it would crumble. " Cremean informed the lawyers a restraining order issued by Common Pleas Judge George Tyack to stop demolition had been lifted by a mutual agreement between SCC and ORS, which sought the order. The agreement stipulated the ORS had 120 days to come up with a plan and funding to either move what remained of the structure and rebuild it at another site or to restore what was left of it at the present site.

Later that day. Tipton said the company was willing to help in any way it could to save the rest of the pullding, which was listed on the national register of historic places. 13 His expectation "at this stage," was he didn't anticipate the 120 days given the society would hold up the project. Groundbreaking for the main convention senter complex was now scheduled to occur in March 1977. Asked why such an agreement was never worked out with the Historical Society prior to the start of demolition. Tipton said. "There was no need for it. We still don't believe we need their approval to take it down." The city would only allow High Street traffic to be disrupted during the weekend and ConRail would only halt rail traffic through the station during the same hours, he said.

Thomas Smith, director of CMS, called the demolition "a clear violation of federal regulations." Section 106 of the National Historic Preservation Act of 1966 stipulated that federal money may not be used to raze buildings on the

<sup>13</sup> Columbus Dispatch 13 October 1976.

Mational Register of Mistoric Places without proper notification. 14 It also stipulated that federal money couldn't be used to build new structures on the site where a historic landmark once stood. Union Station, built in the late 19th century was on the Mational Pogister and was considered by Smith to be "one of the finest examples of Deaux Arts classicism anywhere in the United States. " "There is no federal law that says we couldn't take it down. The only hooker was that we couldn't use federal funds to take it down," Cremean responded. Smith equeed there was no violation if federal funds were not being used in the demolition and if federal funds were not to be used to build a new facility on the site. Mowever, BCC hoped to win a federal grant for construction of the transportation facility, And, architect's drawings of the convention center already showed the transportation center, as proposed, would occupy part of the area where the arcade remains stood. "There has never been a final determination on where the transportation would be relocated," Cremean responded. He pointed out that plans for its location had already changed a few times. "I don't think the UNTA grant is in jeopardy, he said. Saith said he hoped the UMTA grant wasn't in jeopardy but he expressed a little more

<sup>14</sup> Columbus Dispetch, 28 October 1978.

soubt about it than Cremean. "The application (for the UNTA funds) states that the facade would remain standing. The federal people were shocked to learn it had been torn down," Smith said. But an CMTA official in charge of the grant application did not appear upset over demolition when contacted by the local press. The official's reply was "the applications with UNTA were not for the preservation of the arcade...they've gone ahead and torn it down without federal funds so they've avoided a problem in a way." The main arch. a secondary arch and some columns were all that remained of the accade. The Italian Village Society had expressed interest in obtaining some of the remains of the arcade but no decisions were expected to be made until the end of the study of possible uses for the arcade remains. In response to the 120 days for the study. Smith remarked, "We have offered this community 110 days to salvage a landmark." "If Italian Village wants it. let them have it. We don't want it." he said. We said the historical society's only interest in the matter was to give the community a chance to determine if the arcade remains should be salvaged. Mowever. Smith admitted his personal opinion was that "it is cultural bankruptcy to destroy what has been built by otevious denetations."

Amidst the arcade controversy, a momentary diversion occurred when BCC atmounded plans to corporate into the

complex 30-50 shops which would merchandise high quality goods. 15 Such stores as Saks-Fifth Avenue, Neiman-Marcus, and Brooks Brothers were mentioned as potential retailers. The announcement made in early November, also stated real estate developer and broker, Chuck Warner and Associates, a Columbus based company, was named exclusive leasing and management agent for the center's retail space. It was also announced that Phase I of the civic center's retail element would have potential for expansion. Architectural plans were now in the final stages, and leasing operations would begin in 1977. Warner, a veteran of more than 25 years in the Midwest shopping center industry, had been operating his own Columbus real estate firm since 1969, and would try to net European stores into Columbus. Tipton selected Warner for the job from among three possibilities, thinking "a firm from Columbus was especially desirable. The stores in the retail section all would have "quality merchandise," and would offer "new alternatives to shopping in Columbus." Selection of Warner to build and operate the retail segment of the proposed convention center meant developers had been selected for all segments of the \$80 million complex. only unanswered question remaining was which national hotel their would manage the 20-story hostelry to be built by

<sup>15</sup> Columbus Citizen-Journal, 10 November 1976.

Venturi International. Negotiations were still in progress between BCC and two major chains over the hotel management contract.

Meanwhile, with Tipton still nopeful of breaking ground for the center in March or April 1977 and to be fully operational by 1979, preservationists were forming a task force representing several groups and agencies to look into saving the sole surviving arch of the once ornate Union Station arcade entrance. 16 The task force was born in early November during an informal meeting at the Ohio Ristorical Tenter between state historic preservation officials and persons interested in salvaging the arch. With the 120 day study agreement in affect, BCC refused to spend any of its money on the project. And the agreement had yet to be signed by both parties. Participants attending the meeting were Ohio Historical Society and Historic Preservation Office officials. interested citizens. : 40 representatives of the Columbus Chapter of the American Institute of Architects (AIA), Junior League of Columbus, and Mid-Ohio Regional Planning Commission (MORPC). Thomas Smith, director of OHS and the state Office of Historic Preservation told the group that the actions of his office in negotiating an agreement "has bought you 120

<sup>16</sup> Columbus Citizen-Cournal, 10 November 1976.

days." "This is part of Central Chio," he said. "I believe that it is now your responsibility to save this part of your heritage." Smith also reported that he signed the 120-day agreement on 10 November, but that BCC officials had yet to add their signatures because of concern over who would pay for storage of artifacts already taken down at the site. They were also concerned over a statement in the agreement that it had been their original intention to incorporate the arcade in their convention center plans, he said. Smith and a Historical Society trustee and attorney who first sought legal action to halt demolition, said the quarrel was not so much with the BCC conclusion the accade couldn't be saved as with the manner in which destruction began. "We're not a bunch of old ladies in tennis shoes "elling you can't tear it down," one official said. "If we had had a chance to do our own investigation. I think we probably would have come to the same conclusion they didthey tell 48 fabout 1 sadw pnibivosc the leterioration) is true. Smith added. The Ristorical Preservation office doesn't try to impede progress." mask force would begin its work with its first formal meeting at 10 A.M. at the Historical Center on 16 November.

One of the impacts urban policy programs may have is upon the very political process itself. One impact is that the processes may become relatively more open or relatively

more closed in terms of publicity and in terms of access by individual citizens and nongovernmental groups. Another is that individuals and groups affected may learn to engage more meaningfully in political debate on issues affecting them directly. Preservationist interests in Columbus felt affected by BCC's desolition efforts. And with the help of state government, they had attempted to gain some imput into future decisions that would be made concerning destruction of the arch. In urban politics, a number of different individuals and groups can develop access to important processes to attain some influence over policy outcomes. to this point in time, BCC was making decisions in relatively closed environment. Preservationist actions brought a moderate degree of openness and competition in the processes. The groups also took the opportunity to form an ad hoc coalition. Based on their shared interest for preservation, they would unite to have impact. coalitions are rarely permanent, they usually emerge in response to specific issues and proposals. problems they wanted to address were trust (BCC had failed to include them in decisions on the arcade's destruction) and subliminally, one of regulation (BCC was exceeding its authority). Trust problems usually lead to decentralization activities mechanisms. such creating new 23 r ::lation participation while those of

centralization or a tightening up monitoring of the agency or organization involved. At this point in time, a new mechanism for public participation was formed over the tangible, specific issue of the arcade's destruction.

Union Depot was embarrassing at times but always a comfortable reminder of the past. 17 Because of this, some cheered in 1975 the announcement its conate arcade would be incorporated into the new convention center. But those plans were changed quietly by the BCC board, and destruction of the arcade began in late October, and stopped only when the OHS obtained a restraining order. BCC said weather, lack of maintenance and erosion of the building's support heams had taken such a toll, it was impossible to save any part of the building, which was included in the National Register of Historic Places. Battelle and the society had reached an agreement that would allow a waiting period before the destruction of the remaining main arch of the arcade for those people who wanted to save it to study the situation, develop plans and arrange financing. point in time it might be a little late to place the blame on BCC for not revealing the condition of the arcade earlier so that efforts could have been made to save it, or the OHS for failing to properly monitor the work being done at the

<sup>17</sup> Columbus Citizen-Journal, 17 November 1976.

site, or Columbus for not knowing what was coming. Battelle was not interested in spending any money to help save the arch nor in incorporating it into the convention center. The task force was expected to look into preserving the arch. Some felt that the destruction of the arcade may well have been inevitable, but the circumstances surrounding the event surely called for fast action by the city to assure preservation of the city's remaining landmarks. Legislation to protect historical buildings was expected to be introduced at the 22 November 1976 City Council meeting. The proposed ordinance would create a landmark commission which would review potential destruction of significant ouildings. Based on similar commissions in several metropolitan areas, the board would be composed of design experts, a certified planner, and other professionals. Many felt Columbus needed such legislation and that planning for the future must be done with an eye to preserving the city's past.

As November drew to an end, the City of Columbus still faced a steep price for construction of a temporary AMTRAK station despite a second round of bid-taking. <sup>18</sup> The apparent low bid of only two put the price at \$539,000. It was submitted by the J. P. O'Connor Company, Inc., of 4th

<sup>18</sup> Columbus Dispatch, 24 November 1976

Street, the same company which made the low bid of \$615,000 in offers that were opened in July 1976. But at the time of the earlier biddings, the city's service director declared that cost seemed too high for a railroad terminal that would be used about five years while the convention center complex was under construction. After a round of talks with U.S. EPA and railroad officials, an agreement was reached that the city would not have to construct a fuel-spillage control system as part of the temporary facilities. That cost had been figured in the \$615,000 but by the time the agreement was ironed out, the July bid was too old for the city to accept. So bids were again advertised to construct the terminal without the fuel spillage system. The price came down, but not as much as expected, according to the service director. He said the spillage prevention system accounted for \$120,000 in the first bids. Also his office staff was meeting with the contractor to determine if there were any more ways to cut down the cost. Finally, he would award the bid soon if there were no other ways to cut costs. background, the Columbus City Council appropriated \$615,000 that past July for construction of the facilities and city officials issued councilmanic notes so that the money would be on hand. The terminal still must be built by next spring (1977) when the Union Depot was to be razed. It would be used until a new station was operating as part of the

convention center on the northern edge of Downtown. The building was to be constructed in such a way that it could be moved and used for some other purpose after its use was ended as a terminal. Also, the building would be east of North 4th Street and north of the railroad tracks. The contractor must supply fuel loading facilities and access. The \$539,000 cost would come down to \$530,000 if a metal rather than concrete building was used. The outcome of the earlier temporary AMTRAK station fracas was Columbus would pay for the station.

As December arrived, it appeared the historic Union Station arch would have to be moved because it apparently couldn't be incorporated into the design for the construction of the \$80 million convention center, at least not in its present location fronting North High Street. 19 A Columbus-area architect and chairman of the group dedicated to saving the arch, said the planned elevation of High Street and other street improvements would probably necessitate moving the arch. Task force members had been meeting since mid-November to study options of salvaging the arch. The agreement between them and BCC had given the group until February 24, 1977, to find a way to preserve the structure. The task force committee assigned to study the

<sup>19</sup> Columbus Dispatch, 5 December 1976.

condition of the arch had found it was structurally sound and could be moved in one piece or dismantled. Meanwhile, the task force was trying to determine the probable cost of those two options. It might be possible to raise the arch on a hydraulic jack, place it on rollers and move it back from High Street 10 to 15 feet an! incorporate it into convention center designs at that point. It would also be possible to disassemble it, although task force members felt that would be painstaking work. It would be like in the words of one member "dealing with fine china," in reference to the elaborate terra cotta decorating the arch. agreement between the historical society and BCC stipulated that the arch could be preserved on the convention center site if the task force proved it could be re-erected. However, the financial obligation of saving the arch rested entirely on the task force. "We don't know how much it would cost," a key member admitted. Either option was likely to be expensive because moving it in one piece would require heavy-duty, sophisticated equipment, and taking it apart would require high labor costs. The task force was scheduled to meet Wednesday, 8 December, at the Ohio Historical Center to discuss the options.

On the day the meeting was scheduled, Convention center officials received good news. 20 The heirs of Bathsheba Lazelle were not entitled to compensation of the Third Street viaduct over Naghten Street, the Franklin County Court of Appeals ruled, but the war over property easement rights was likely to continue. Because of a split decision by the Franklin County Court of Appeals and the dire determination of the attorney who had already collected more than \$75,000 in fees for work on the Lazelle case, a showdown in the Ohio Supreme Court was likely. The Franklin County court held the use of the property for highway purposes was not substantially different than its use for railroad purposes. It had been charged that the heirs were entitled to a \$1.5 million for the easement and to interest dating from the time the land was obtained from the railroad in 1958. The heirs had made a similar claim earlier for a small part of the 27 and a half acres that were acquired by the city for the center at the site of the old Union Station. The city settled the claim for \$140,000. Records then showed that 49.5 acres had been deeded to Bathsheeba Lazelle in 1834. In 1854, the Cleveland, Columbus, and Cincinnati Railroad Company appropriated 8.23 acres of the land, obtaining a permanent easement for a railroad, side

<sup>20</sup> Columbus Citizen-Journal, 8 December 1976.

tracks, depot, workshops and water stations. In 1958, the Ohio Department of Highways appropriated 2.12 acres for the Third Street viaduct extension of Route 23, and paid the owner at that time, Baltimore 6 Ohio Railroad, \$544,082 for land and \$84,257 for structural damage. The heirs of Bathsheeba Lazelle charged the easement granted in 1854 was not applicable to highway use. Judge Gillie, earlier holding that the change from railroad to highway use was a continuance of the same service to the public, upheld a previous lower court ruling that said heirs of Bathsheeba Lazelle were not entitled to further compensation for easement rights that allowed construction of the Third Street to Naghten Street exit camp. Those easement rights were granted to the state in 1959 by the Chessie System Railroad, which had obtained the tracks from the Cleveland, Columbus and Cincinnati Railroad. The suit filed on behalf of two heirs of Mrs. Lazelle, was now part of a three-year legal battle over the property at the northwest corner of Naghten and Third Streets. The representing attorney previously indicated the case would to to the supreme court if he lost in Franklin County.

Meanwhile the fight over the arch was becoming a recurring issue as the task force that wanted to preserve it decided to ask for money to save it from the very company

that wanted to tear it down. 21 Facing a 24 February 1977 deadline for salvaging the historic arch, the task force of preservationists, members of civic groups, architects, and private citizens admitted in their meeting at the Ohio Historical Center that no money was in sight and thus turned their attention toward BCC. Realizing they had to bargain and compromise with the principal combatant, one member of the task force, a Columbus area architect and unsuccessful candidate for the U.S. House of Representatives in the 15th District in November 1976, said "Battelle nught to pay for the whole thing." "They're the ones that tore it down." And said a member of the OHS, "We better let them know we're not kidding." The task force chairman said, "It seems we have a task to persuade Battelle Commons to take what's left and incorporate it into the convention center." The committee agreed to approach BCC for funds. Clyde Tipton's response was the group wouldn't get very far: if the task force does not have the money at deadline, "We will take it down." The agreement, to expire on 24 Pebruary, stipulated that BCC would incorporate the arch in the convention center if the task force proved it was financially and architecturally feasible. An OHS official claimed at the sparsely-attended meeting that, "If we show it is feasible to incorporate it

<sup>21</sup> Columbus Dispatch, 9 December 1976.

into the convention center. Battelle Commons Company is committed to leave it standing past 23 February. Tipton, however, said, "Everything is contingent upon them having the money to do it." Another task force member who was on the Chio Historical Site Preservation Board, said the task force had not determined how such it would cost to include the arch in the convention center, but the cost could be around \$100,000. The task force's structural design and evaluation committee had said the arch, estimated to weight 750 tons, could be lifted by hydraulic tack, placed on sollers and moved 20 to 30 feet back from High Street. Seeling the arch would make an attractive entranceway for the transportation building planned for the convention center site, one member said the arch "could be freestanding piece of architecture like a sculpture or incorporated into a building," such as the transportation building. Task force members agreed the arch would make an attractive piece of architecture, comparing it to the large stone cube in front of the Chic Bell Building. But Tipton disagreed as he continually crusaded in opposition. "Onio Bell didn't take sections of the old Peruna Building (which stood at 115 E. Rich Street and was demolished in 1973) and out them out front," he said. Artwork "has to fit the architectural style of the new convention center," he said, indicating the arch wouldn't fit. He added that he was

"rather surprised that they would ask us for funding." He wald the preservationists indicated in Movember all they needed was time, not money, to save the arch. "Our trustees have indicated rather clearly that it is their intent to take it down," Tipton said.

Thus the Union Depot Arcade Task Force was certain the remaining arch could be preserved with relative ease and telt even more strongly BCC should help pay for it. 22 A prevalent feeling was the arch could be blended into the transportation building which would house COTA offices behind the then present location of the arch, even to building a new, smaller arcade around it. Also the structural and design committee chairman had contacted a St. Louis firm which specialized in restoring terra cotta and presently had a contract with the LeVeque-Lincoln Tower. As a result of the meeting, the task force acreed to step up efforts to persuade acc or axi to pay for saving the arch and to try and get support from the city government. trustees ratified the agreement on Tuesday. 7 December, that gave the task force until 24 Pebruary, to come up with a plan for saving the arch. Ratification didn't come. however, until after trustees had been assured numerous times that saving the arch wouldn't cost BCC a penny.

<sup>22</sup> Columbus Citizen-Journal, 9 December 1976.

Meanwhile, the Arcade Task Force would continue its feasibility study, begin working on a written report, and study means to protect the arch from weathering until something could be done.

Interestingly, on 10 December 1977, the High Street viaduct near the arch, was damaged when a steel casting on a freight car of an eastbound ConRail truin punched two holes in the northbound section of the viaduct. 23 One impact of this inconvenience was that demolition of the High Street viaduct would get underway four months early.

Two weeks before Christmas, the dust and outcry raised during demolition of the historic Union Station arcade had settled, but the differences of opinion over its justification probably never would be. 24 Nearly two months after the wrecking ball demolished all but the arcade's great arch. Tipton and OHS officials still maintained irreconcilable views. But despite their differences, there were now some points being conceded. Tipton, for example, admitted it would have made "a lovely entrance" to the \$80 million convention center to be built. Thomas H. Smith, director of the OHS, who steadfastly contended BCC violated federal law, granted now the arcale may have been to

<sup>23</sup> Columbus Dispatch, 16 February 1977.

<sup>24</sup> Columbus Citizen-Journal, 17 December 1976.

decrepit to remain standing. "All they had to do was notify us," said Smith, who also was director of the Ohio Historical Preservation Office (ORPO). Arguing federal regulations required state historical preservation offices be notified when a building on the National Register of Historic Places was to be razed, Smith admitted, though, the preservation office may have concluded the arcade was too structurally deficient to be incorporated into convention center. "We would have gone to Clyde Tipton and said, Give us a week, let us go in with photographers and record it for posterity, " Smith said. "There would have been nothing we could have done to stop the razing of the arcade," Smith pointed out. He said BCC was obligated to inform OHPO because it was seeking federal funds for portions of the convention center. "But it's a law with no teeth," Smith said. He explained that there were no penalties that could be slapped on BCC. "To the best of our knowledge, in our interpretation, we violated no law," Tipton maintained. He admitted federal regulations stipulated advance notice be given if federal money was to be used to raze the building or construct on that particular site, but no formal application for federal funds had been made. BCC had furnished federal agencies with preliminary plans for convention center construction, but not for funding, Tipton said. Smith also coloned Tipton assured

Take Total archa without dismantling it had turned into a quarter-million-dollar proposition. The Union Depot Arcade Task Force had felt 10 days prior it would be feasible to move the arch 15 to 20 feet back into the proposed convention center site by placing it on rollers and pushing it along its existing support piers. On 17 December, however, the preservationist group trying to find money and a way to save the arch learned the cost for lifting and rolling back the 700-ton-structure would far exceed their original guess of \$100,000. One committee member said,

The main thing is we have found an can't use the existing piers for moving the arch. They are not strong enough and they are not parallel. They converge. It will cost \$100,000 to build a temporary foundation to move it on. Shoring it up with steel framing so it won't fall apart when it is moved would be another \$160,000.

They also learned the \$260,000 didn't include remedial repair to the arch, some sort of weather covering to stop it from deteriorating, or restoration costs after it was moved. But members felt the need for a temporary foundation could be averted if BCC and Columbus could be persuaded to extend piers planned for the new High Street viaduct and a connector road through the site. That could eliminate most, if not all, of the first \$100,000, but would still leave the

<sup>25</sup> Columbus Dispatch, 13 December 1976.

price for moving the arch at \$160,000. As one member would say, "I'm just kind of skeptical as to whether what we would have left after moving the arch would be worth the expense." Other options discussed by task force members that could be done to save the arch or at least part of it, included dismantling and reassembling it. But while almost all of its ornate terra cotta pieces could be salvaged, it was noted, it would be a tedious and probably costly job to do 30. Fragments could be salvaged and erected at some other location in a park or mall setting. Certain pieces could be removed, restored, and incorporated into one of the proposed convention center buildings as fragments to retain the flavor of the historic arcade, most of which had been leveled. The task force wound up its two-hour session by charging its public action committee "to suggest a course of action" by the next meeting of the full task force 11 January, to assess and rally public support for saving the arch. Task force members felt it was necessary to broaden their base and find out how much support they would get in order to decide what salvage action to take. With about 60 days left in the agreement with BCC, task force members decided as a strategy to convince Columbus area civic leaders of the worth of saving the arch in a meeting to take place in early 1977. Members of the task force's public action committee began planning to me ' with civic leaders

during the latter part of January 1977. The task force of architects, preservationists, members of civic groups and private citizens said not enough effort had been expended convincing government and business leaders of the arch's cultural value. The group hoped enough public support could be generated to convince BCC to leave the arch standing. Thus, they too would assume a crusading posture.

year rang in, As the 53 central organizations divided nearly \$6 million in grants during the Battelle Memorial Institute Foundation's first year of charitable contributions. 26 Significant conations included the following: \$600,000 to the Columbus Public Schools for work on the physical facility of the Ft. Hayes Career Center, \$1.5 million to the Children's Hospital Research Foundation for pediatric medical research, and \$500,00 to the Columbus Association for the Performing Arts for improvements to the Ohio Theatre. Once primarily a scientific research organization, the institute was improving the quality of life in the area and the continuing viability of the community as a whole.

While Battelle demonstrated its largesse in other areas, the Union Depot Arcade Task Force, however, was still working to gain Battelle's generosity as it (the task force)

<sup>26</sup> Columbus Citizen-Journal, 12 January 1977.

While the task force was having its problems, BCC incurred a minor one when C. E. Murphy Associates of Ohio, Inc., the Chicago architectural firm filed a \$20,991 breach of contract suit against organizations building the Columbus convention center. 28 The firm charged in the suit the Franklin County Building Commission hired the firm in October 1973, to perform architectural services. commission was succeeded by BCC, and BCC did not continue to use Murphy. Murphy contending it had performed \$20,991 worth of services, filed suit in Franklin County Common Pleas Court listing as defendents Franklin County Commission, the old Convention Center Building Commission, members of both commissions, city and county officials, and Battelle Commons Company.

By the end of January, the task force learning BCC would not agree to allow the arch to remain in the area it was in, concluded the arch must be dismantled and re-erected at an undetermined site if it was to be preserved. <sup>29</sup> A member of OHPO told the task force that BCC president Tipton informed a few task force members at a meeting in the previous week that moving the arch 30 feet was not mutually agreeable. The group had been working since November on the

<sup>28</sup> Columbus Dispatch, 19 January 1977.

<sup>29</sup> Columbus Dispatch, 27 January 1977.

assumption that plans could be made to move the 750-ton structure about 30 feet back from North High Street and incorporate it into the convention center. Tipton had produced a master plan showing that the area in which the arch stood would be needed for retail stores. The official reported, "He (Tipton) referred to a master plan which, to our dismay, we had never seen," since "We were unaware of any plans for the area." Seemingly the agreement between BCC OHPO stipulated that BCC would the architectural plans with the preservation office. didn't know it existed," the official would say. Tipton had also allegedly told task force members that two sites, which were both about 500 feet away from where the arch then stood, could possibly be used to re-erect the arch. One site, a parking lot, was planned to eventually accommodate a park, and the other was the Naghten Street entrance to the convention center site. Also there might be several other sites that could accommodate the arch, but not in the general area where it now stood. This would make task force estimates virtually useless, in the opinion of the official. Explaining the task force has estimated it would cost about \$160,000 to move the arch about 30 insteastward from High Street, the official noted, "Obviously, there is no way we can make an estimate now." However, the task force decided to try to get an estimate for removal of the arch's

elaborate terra-cotta. "We can get the terra-cotta off of it and forget the interior," suggested another task force "You can build a new interior" and place the terra-cotta around it, the member said. In support of their plans, it was revealed a Cleveland masonry company already had estimated that it could dismantle the arch's four major columns and its upper structure for \$30,000. This was important since Tipton had agreed that the arch could remain standing if the plan to re-erect it was finalized by 24 February, and if the money to do it was available. The arch could remain standing for perhaps four years, the official said, because construction on that specific site wouldn't begin until then. If plans and money were not available by 24 February, Tipton reiterated BCC's position that the arch would be demolished. Meanwhile, the task force's public action committee chairman informed the group that a brochure would go to print the next week. The brochure would include information about the arch and a sketch of how it could look if cleaned up and incorporated into the convention center. The brochures would contain detachable pledge cards. While, the task force was not yet seeking cash donations, petitions were being printed and would soon be in circulation. group hoped to obtain as many signatures as possible from people supporting saving the arch.

In the first week of February 1977, members of the task force planned a meeting with Recreation and Parks Director Melvin Dodge to discuss the possibility of putting the arch on park land. 30 Still working against the deadline, the task force would begin its petition and money-raising drive the new week. Also, a Cleveland firm had now indicated it could dismantle the 19th century arch, move it to any site in the city and re-erect it for \$63,000. With the added cost of erecting a base for the arch, the total cost would come to about \$75,000. Interestingly, task force members received the support of Mayor Tom Moody, who had been relatively quiet on the issue, that week, although the mayor emphasized that no city money could be used for the project, as OHPO said.

Amidst the hoopla of the arch, one could have missed the construction start of the temporary train station. 31 For, by February 4, the skeleton of the temporary train station was complete and the facility was expected to be opened by spring 1977. The J. P. O'Connor Company of 659 North 4th Street had gotten a \$530,000 contract, for the station which was located along the railroad tracks east of 4th Street. The station would serve AMTRAK passengers while

<sup>30</sup> Columbus Dispatch, 3 February 1977.

<sup>31</sup> Columbus Dispatch, 4 February 1977.

the convention center and permanent rail facilities were being constructed. At the time, an average of 28 persons a day had been using AMTRAK service in Columbus. The temporary station, to be converted to an as yet undetermined use when the permanent station was completed, was being paid for with city tax money.

By week's end the Union Station arch had an offer of a home that might spring a citizens group fund-raising drive to move it. 32 The city would make space available in Goodale Park if private funds were raised to move the 750-ton survivor of the wrecker's ball. The city's recreation and parks director made the offer to representatives of the "Citizens for the Union Station Arch" (CUSA) and the Italian Village Society. "It's beautiful," remarked the president of the Columbus Urban League and a member of the citizens group. "It's a lovely park and the arch would be beautiful there." She said the citizens group would meet that week to get estimates of the cost of moving the arch and decide, on the basis of the citv's offer and the estimates, if they would begin raising money for the project. "We're hoping for business support," the Urban League official said. already have some offers from businessmen for some 'in-kind' help." She said the group would also consider

<sup>32</sup> Columbus Dispatch, & February 1977.

possibility of public solicitation. One estimate of the cost of moving the arch had come from an administrator of the Ohio Historic Preservation Office. After the arch was examined by members of a Cleveland masonry firm, she said the move could be made for \$63,000. Another \$12,000 would be necessary to build a foundation as a new site. It was also announced that engineers who had enecked the arch would recommend whether the arch should be moved as a whole or in pieces, or whether the terra cotta exterior should be removed and applied to a new interior structure. Dodge said he was enthusiastic about getting the arch into Goodale Park, since it would be at no cost to the city. "The arch will add to the park and to the city," he said. "I think Columbus appreciates history. That is why we're preserving the (old Ohio State) arsenal." A CUSA member remarked, as the north downtown area is developed with the Nationwide Plaza and the convention center that is planned for the Union Station site, the arch in Goodale Park could become an increasingly important cultural asset. In her opinion the park might "become an area where people from all over visit, not just a neighborhood park. And maybe also the park could get other things relating to the city's past." " The station arcade" for example, had been "for decades a destination for architectural students' field trips." It was, according to the citizens group, Columbus' only example of a style known as Beaux-Arts Classicism, a style characterized by "a rich, strongly three-dimensional facade, a lively, sculptural skyline, paried column, rigid symmetry and an overall monumental appearance." The arch, the group said in its literature, "is inextricably linked to the history and development of Columbus, and it was for decades the first, or last, structure viewed by rail passengers travelling to and from the capital city." As a "symbol of transportation in the city," it was "instantly recognized by its citizens."

## Impacts: The Federal Role

While some semblance of compromise had been reached with the citizens' group, perhaps the most significant impact of BCC's position became evident when by the end of the following week, it appeared that razing the historic arcade might cost Columbus millions of federal dollars for the planned \$80 million convention center. 33 Sometimes in the process of planning urban policy programs impacts occur which are indirect and unintended. Also, the existence of the federal system and its heavy use for implementing much domestic policy add additional layers of complications and actors to the implementation of local programs. And in some programs, the influence of federal officials may be greater

<sup>33</sup> Columbus Dispatch, 10 February 1977, and 11 February 1977.

than that of locals. This influence of federal officials was revealed, when in response to destruction of the Union Station arcade, the federal UMTA notified Mayor Tom Moody that the city's request for \$6.2 million for the transportation complex at the convention center had been turned down. The mayor had received a letter from UMTA on 8 February, saying the sudden razing in October 1976 of the arcade violated federal law and prevented UMTA from further consideration of the grant application. The letter, written by UMTA's administrator for transit assistance stated,

I regret to inform you that UMTA has terminated consideration of the application by the City of Columbus requesting capital grant assistance to construct a multi-modal transportation center.

The application, dated 28 October 1975. requested 56,240,000. While the application was on file, the UMTA official said, UMTA asked Columbus to inform it of what effect the convention center project might have on the Union Station arcade. "We received no response to this request," the official said. He said the arcade was then demolished without UMTA's knowledge. "There are a number of federal laws relating to preservation of birtoric structures," the official informed the mayor. Saying, These laws require UMTA to take all possible action to preserve and protect historic properties," he added that the arcade destruction "violates the spirit of the law and is totally inconsistent with UNTA requirements. We therefore find it impossible for UMTA to continue consideration of a transportation center at this location." But city officials are by no means passive targets of such pressures and will sometimes launch a counter-offensive. In response, the mayor believed there were "a number of inconsistencies" in the UNTA response and assigned the city's special projects coordinator investigate them. It was his understanding that a formal application for UMTA funds were never made and that the city was seeking not \$6.2 million, but a much lesser amount. The special projects coordinator explained that "the application they were talking about was not submitted to UMTA, but to the Department of Transportation...and it was not a pre-application." application. but He information sent to UMTA consisted more of preliminary plans and wasn't a formal request for \$6.2 million. Further, to his knowledge, there had never been a formal application made for UMTA funds. The amount to be requested was to be about \$2 million, he said. Previous architectural plans for the transportation center, which called for railroad tracks to run beneath the center, would have made it necessary for BCC to request \$6.2 million, the coordinator said, but revised plans, however, which stipulated that the tracks would run beside the transportation center, considerably reduced the cost of construction, he wid. Clyde Tipton's

response was one of dismay. Expressing great concern, he said he would go to UMTA headquarters in Washington, D.C., to challenge it. "We've got to go back and challenge this thing, Tipton said. "It's like a kangaroo court I don't understand how they can do this." proceeding. Tipton reiterated what the special pr. jects coordinator said about no formal application ever heing made to UMTA. said BCC was going to ask UMTA for about \$2 million, which would be about 80 percent of the amount needed to build the transportation center. The 28,000 square-foot transportation center, planned for the northern part of the 27-acre convention center site along North High Street, was include COTA administrative offices and a traffic management center for the Ohio Department of Transportation. Tipton said it was true that BCC did not send a written reply to UMTA's questions about the effect of the project on the Union Station arcade, explaining, "We were there in meetings with them," and "There was a continuing dialogue." UMTA was kept abreast of convention center plans at these Tipton maintained that BCC he explained. knowingly violated no federal law in demolishing the arcade. One law in question stipulated that to federal money could be used for construction of buildings on sites where buildings that were on the national register once stood. Tipton said he was trying to contact UMTA officials so he could arrange a meeting. "I would like to sit down eyeball to eyeball. We've got to charge after them to get this thing squared away." That Friday, Tipton also felt the loss of federal funds for the transportation building would not hold up the entire project. Saying that although officials still hoped to iron out differences with UMTA, he argued the lack of an agreement "isn't going to table plans for the center." Although no one was saying he was confident UMTA would change its mind, officials hoped to meet with federal officials and be given a green light to submit application for \$2 million for the transportation building. original plans for the transportation building envisioned an elaborate "TransCenter," which BCC officials hoped UMTA would support with \$6.2 million, Tipton said. However, the Federal Railway Administration's refusal to grant funds necessary to refurbish the arcade had forced BCC to revise plans for the building, he would argue. The most recently revised version called for a transportation building that would house only CCTA administrative offices and a traffic management center for the Ohio Department of Transportation. Officials had yet to submit an application for \$2 million for this plan when UMTA informed the city that the \$6.2 million proposal had been rejected.

Although BCC was the nonprofit corporation formed to build the convention center and draw the plans, the city

formally ask for federal funding because determined BCC was not an appropriate recipient. 34 The letter to the mayor informing him that the \$6.2 million request had been denied began a discussion among the city and BCC officials over whether they submitted a preapplication or a formal application. Tipton's response was the request was part of an overall pre-application to the U. S. Department of Transportation for about \$12 million. explained that former U. S. Transportation Secretary William Coleman, Jr., told BCC and city officials in mid-1975 to submit such an application outlining how much money they thought was needed for the overall project. Then in mid-1976, Coleman changed his position and told BCC and the city that an overall application or pre-application for the \$12 million should be broken down into separate applications to each agency in the department being asked for funds, Tipton "He (Coleman) decided we had to deal with all said. agencies individually instead of just the Department of Transportation (DOT), " Tipton explained. That meant BCC had to begin dealing separately with UMTA, the Federal Railway Agency, AMTRAK, and the Federal Highway Administration. After BCC began dealing with these agencies individually and learned that all the money they hoped to get wasn't

<sup>34</sup> Columbus Dispatch, 11 February 1977.

available, revisions in plans were made, Tipton added. did not believe that the submission of the original request for \$12 million, which included the \$6.2 million request to UMTA, constituted a formal application, officials explained. In a letter Tipton sent to UMTA's administrator for transit assistance on 28 July 1975, Tipton said BCC "is pleased to submit our preliminary application for federal...funding..." Accompanying the letter was an "application for federal assistance" form, which listed \$6,240,000 as the amount requested by UMTA. The difference between a pre-application and an application was considered significant by some because if no formal application was pending at the time of the arcade demolition, the laws pertaining to historic preservation would not have been applicable to the case. UMTA spokesman told the local press that there was no significant difference between a pre-application and application. "The only difference is that an application is developed around a pre-application," he said. He explained that the evolution of a project usually required revisions between the pre-application and the application stages, but that they were not considered separate requests. However, he would not speculate on the chances of a new application for \$2 million. "It would be unfair to discourage or encourage another application. If they want to submit an application, we will consider it," it said. The city's

special projects coordinator, had now been put in charge of contacting UMTA in hopes of setting up a meeting to discuss At this time, though, officials were not the issue. expressing optimism that UMTA could be convinced to reexamine a scaled-down, \$2 million application. "What we'll have to do now is wait for this matter to be resolved and in the meantime look at alternative locations administrative offices," COTA's executive director said. Overall plans for the \$80 million convention center complex would still proceed with or without the transportation building figured in, Tipton said. Those plans included provisions for a 730-room hotel, a convention and exhibit hall, meeting rooms, theaters, retail shops, a ballroom and underground parking. Officials were still hoping ground could be broken in 1977.

Thus UMTA had spoken: 35

The destruction of Union Station arcade, a property listed on the National Register of Historic Places, as part of a broader project involving possible use of federal funds violates the spirit of the law and is totally inconsistent with UMTA requirements. We, therefore, find it impossible for UMTA to continue consideration of the city's application for a transportation center at this location.

<sup>35</sup> Columbus Dispatch, 10 February 1977.

And while Columbus officials had been trying to get their facts straight, they didn't believe UMTA's ruling would rule out future UMTA funding requests.

Often when controversy begins, a policy-making strategy is to assign blame to others. And at the beginning of the next week, Tipton argued the City of Columbus had been unjustly punished for an action taken by BCC, indicating UMTA's denial was neither fair nor logical. 36 Feeling the confusion resulting from UMTA action had clouded several points, he argued first that BCC did not have a grant application pending with UMTA when the arcade was razed. His explanation was that although BCC submitted an application for \$6.2 million to UMTA in July of 1975, that application was turned down when UMTA determined that BCC wasn't a proper applicant. In the process, UMTA then notified BCC in September 1975 that it could not receive federal funds because it was not a public body or controlled by public officials. As a consequence, UMTA suggested the city resubmit the application, which was done the following month, official records showed. Tipton maintained, however, that the resubmitted request for UMTA funding, was part of an overall \$12 million preliminary proposal laid out before the U. S. Department of Transportation. Contained in the

<sup>36</sup> Columbus Dispatch, 13 February 1977

overall preliminary proposal were federal funding estimates that BCC and the city thought might be obtainable from various agencies under the department's jurisdiction, including UMTA. "There is no application for \$6.2 million. It doesn't exist," Tipton maintained. UMTA officials had indicated there definitely was a request for \$6.2 million from the city and that the distinction between a preliminary proposal and a formal request was negligible. Another point Tipton wanted to show was that UMTA's insistence on having the city, and not BCC, apply for funds should mean that the city and BCC should be treated as separate entities instead of one. He asked, "If there's no relation between Battelle Commons and the city, then how could the city be punished for what Battelle Commons did?" UMTA apparently believed there was an important relation between the city and BCC, for in the letter turning down the grant request, the UMTA official stated, "The Union Station arcade was demolished by Battelle Commons, a private entity under contract with the city." And as a consequence, City officials were also concerned that the letter seemed to imply that the city was responsible for the arcade. The main question, which was whether there would or would not be a transportation center on the convention center site, might not be answered for some time though. UMTA officials said the city could feel free to submit a new application, and a few local officials

had indicated that the city probably would. However, no decision on whether to resubmit an application for federal funds was expected until after local officials met with UMTA personnel to try to clear away confusion.

Douglas Yates writes that an element which adds to the variability and instability in the urban policy process is the "stage of decision." 37 Sometimes a problem which pops up whether old or new is one the city can deal with routinely and effectively. Or the problem may be one which is constrained by numerous past decisions, is deeply embedded in existing programs, and while "old" may require a new approach such as basic restructuring of policy or existing organizations. But a third type is one of crisis and the response is crisis-hopping. When Tipton and the board decided, in a somewhat routine manner, to start demolition of the arcade, some felt the outcome also might be routine, even though warned of the possible violation of historical preservation laws. To move on with progress, though, the board voted 8-0, (the AFL-CIO representative was absent), unanimously, to proceed with demolition of the arcade. As Battelle Commons board chairman would arque

<sup>37</sup> Douglas Yates, "Urban Government as a Policy Making System, in Theoretical Perspectives on Urban Politics, Willis D. Hawley and Others (Englewood Cliffs: Prentice-Hall, 1976), pp. 235-64.

backing up Tipton, BCC had searched for restoration money. But the arcade vote reflected the board's "responsibility of fiduciary integrity, to deliver to the community center. "38 functional, on-going, profitable convention Battelle Commons hadn't found any restoration money, and the demolition was necessary so construction of the convention center hotel, involving costly private capital, would not be impeded and construction equipment could have easy access. The wrecking was not done at dusk to deceive any one; that was the only time the city would allow High Street traffic to be limited and when the fewest number of trains would be passing underneath. But one man who knew of the demolition beforehand was the mayor. Tipton said he informed the mayor ahead of time "so he wouldn't be surprised," and he offered no objections. "He did inform me around noon that Friday (22 October) " the mayor would confirm. Tipton had told the mayor "The place was not repairable. He said undoubtedly there would be controversy over it, and I anticipated that that would be the case," the mayor recalled. But the mayor added that Battelle Commons was within its rights under its contract with the city, which owned the land, and "the city had no right to intervene." The mayor, a self-described history buff, questioned whether the arcade was more than an

<sup>38 &</sup>quot;A Quick Goodbye," p. 61.

architectural curiosity. A native of Columbus, he said he clearly remembered the building being "in a pretty terrible condition" as early as 1942. "In my judgment it had no historical or sentimental meaning to the people Columbus, " he stated. And he doubted the arcade deserved to be on the National Register in the first place, adding that the city, as property owner, did not apply for designation. But the possibility that BCC had finessed itself out of in excess of \$5 million in federal money for the transportation center because it didn't submit federal review requirements before knocking down a building on the National Register bothered some. COTA's executive director was one. He noted that the U. S. Department of Transportation had sent a "exploratory mission" to Columbus on 12 November to find out what had become of the arcade. "We didn't know beforehand that's the reason we were concerned," he said. But Battelle Commons officials maintained that since no federal money was used in the demolition and nothing was to be built with federal money on the arcade site, future federal dollars couldn't be in jeopardy.

In the first stage, after the board's decision, the mayor, informed by Tipton that controversy might take place locally, took the position that the arcade's destruction did not require the city's intervention. And in a slightly more

protracted state of crisis, during the three to four months the decision was being protested by the OHS, OHPO, and the preservationist task force, the city's response was to donate a location, while the mayor would offer moral but not linancial support. Upon UMTA's 8 February announcement though, the city had the closest thing possible to "crisis decision making." While the mayor, in response, would cite "inconsistencies" in UMTA's position, he would quickly develop an instant solution—the city attorney's office special projects officer would be put in charge of dealings with UMTA.

While the dominant view among many in the city was the razing of the arch would have an innocuous effect upon convention center financing, one who was an expert on such matters and was involved in the decision-making process which led to the demolition informed the writer

It was avoidable. There is a process to take some thing off of a register if thev start registering. It was not impossible. In fact the indications were it was possible that it would be listened to sympathetically. Plans were developed to have alternatives of what could be done to preserve parts of it, or reconstruct parts of it at another place and to preserve the arch in its existing location. But the board of Battelle Commons said we're supposed to build a Convention we're center; not responsible for preservation and therefore we are not putting 50 dollars in it at all. then, arbitrarily, and rather quickly without checking out the feasibility or the possibility of taking it off the register, the decision was made on Wednesday to tear it down on Saturday. Then all hell broke loose, because it was a bad decision. And it was perpetuous. And in result, reaction in the Department of Transportation in Washington was, and legally, if you went to battle with this, the only thing that they have argued, is that you couldn't spend any federal money on that site which even on the registry was the wrong address. There was a block on the registry, and that was a building that had been burned down three or four years before that. But you could argue that that was the only restriction on that particular site where the arch was. That's what they intended, and that was the description of the historic site. But they said no to all 27.5 You could beat that. There was no doubt about it because it was not the intent of the law. They were overextending their authority, and it was not even realistic, because some of the potential other programs had nothing to do with that site; not even remotely. So they were very arbitrary in their decision which was later They reversed that. But it could have been worked out optimistically. And the argument that we have to get it out of there because we need to start construction is not valid at all. It was about 15 months later before anything was done that would have required that site. And that was known at the time.

Deliberations over the arch would continue however. And while some "arch rivals" humorously suggested the arch might be used as a "nosepiece for a giant Edsel" amidst the consternation, the Columbus Union Depot Arcade Task Force which had renamed itself Citizens for the Union Station Arch (CUSA), had raised a fourth of the \$100,000 needed to save the arch with one week left to save the entryway. 39 CUSA reported the largest item was \$10,000 in donated services

<sup>39</sup> Columbus Citizen-Journal, 17 February 1977.

(engineering and materials) to build a new foundation for the arch at the location selected for it. And while the task force still hadn't settled on a location, members were leaning strongly toward Goodale Park, which the Columbus Recreation and Parks Department had offered as a site. CUSA officials had also applied for a \$51,000 grant from the BMI Foundation and were preparing an application for \$50,000 in "local option" funding under the city's Community Development Act entitlement. Either grant would have to be matched with \$50,000 in cash and services raised by the task force.

Meanwhile, Tipton, during the third week in Pebruary, unveiled a scale model of the \$80 million convention center complex at a press conference. 40 The model showed the planned hotel, to be located just north of Naghten Street. Behind the hotel was the six-story convention center complex, which would include parking garages, a shooping mall, meeting rooms, a ballroom, an exhibition hall and management offices. Railroad tracks ran along the north side of the complex, where AMTRAK passenger train service was planned. Across North High Street from Nationwide Plaza's 40-story office tower would to break ground by

<sup>40</sup> Columbus Dispatch, 21 February 1977.

spring or early summer. With the unveiling of the scale model also came news that 16 of the expected 50 businesses had reserved space in the complex. Of significance was the fact the center would be a good idea, with magnetic qualities, as it commanded early recognition for its potential. Also significant was the fact that one-fourth of the first letters of interest came from out-of-state, an indicator of what others thought of Columbus center's future.

Mhile Columbus' future may be bright, the arch's continued in jeopardy, as CUSA, one day before the deadline, sought a four-month extension to raise the \$106,000 they needed to move the arch to a new location. 41 CUSA's new proposal requested Tipton to extend the deadline to 30 June in order to get money and pledges of services. Tipton's response was he would give the committee an answer the next week after talking to BCC board members. He promised, however, that the company would not tear down the arch until it had given the committee its decision. The proposal, in the form of a letter to Tipton, detailed the estimated costs of moving what the letter called the "Great Arch," cleaning it, building a foundation, structural testing and landscaping the area. It also asked permission to move the

<sup>41</sup> Columbus Dispatch, 23 February 1977.

arch north of its present location to a site between the elevated lanes of the 3rd and High Street connectors. Also, the committee now had \$31,000 in cash pledges and \$25,000 in promised services to move and reassemble the arch. It had obtained a professional fund-raiser who had volunteered her efforts to raise money for the project. Other promised services and the estimated value included a crane from George J. Igel & Company, \$3,000; a tractor and trailer from Atlas Transfer Company, \$2,000; bricks from General Clay Products, \$1,000; materials and labor, Chamex Company, \$1,000; general contracting by Robert W. Setterbin & Sons, Inc., excavating and grading by Jack Prost Inc, and concrete from Anderson Concrete Corporation, \$10,000; professional services such as architectural and site planning by Edsall and Associates, soil sampling and analysis, CTL Engineering, Inc., and structural design by Rorda and Associates Ltd., \$9,000.

In a meeting between CUSA and Tipton, which was formal, polite, and thick with tension, CUSA officials also presented an estimate from Cleveland Marble Mosaic of \$83,000 to move - including dismantling, transporting, and re-erecting - the arch to a new site. 12 Other costs were

<sup>42</sup> Ibid.

\$1,000 - Cleaning the rebuilt arch \$10,000 - building a new foundation \$2,500 - miscellaneous expenses \$9,000 - professional services

These added costs raised the total to \$106,000. The committee's report also stated,

An ideal site would be at a location in the Ohio Center which would permit maximum public enjoyment of the arch. Such a site would allow the arch to serve as a focal point for the main vehicular and pedestrian entry to the Center and would be on High Street between the elevated lanes of the Third-High Street connector.

Tipton's response was "I think it is rational to consider an extension." Concerned about the length of time, though, he thought four months to be "awfully long." He said there would be no formal board meeting prior to Thursday's expiration of the agreement, but that BCC trustees would be polled on their feelings about an extension and the CUSA request that the High Street site for the arch be made available.

On the day prior to CUSA's deadline, something else of significance occurred when Warren Cremean, vice president of Battelle Commons announced his resignation to assume the post of executive director of the Development Committee for Greater Columbus (DCGC) effective 1 March. 43 The development committee, a privately-funded organization, was and is

<sup>43</sup> Columbus Dispatch, 23 February 1977.

concerned with long range planning for the Columbus area and Central Ohio. Cremean's predecessor in the job resigned in late 1976 to take a city manager's job in New Jersey. Cremean. an Ohio Northern University civil engineering graduate joined the Ohio Highways Department in 1946 following service in the Army Air Corps of Engineering. From 1964 to 1972 he was service director for the City of Columbus, then was named executive director of the Franklin County Convention Center Building Commission, which had early responsibility for building the convention center before BCC. At the time of the announcement, Cremean was chairman of the mid-Ohio Regional Planning Commission (MORPC), a member of the Downtown Action Committee of the Chamber of Commerce and the Mid-Ohio Health Planning Federation. He said he would review those positions and resign those which might have overlapping or conflicting responsibilities. Cremean said "I was offered the job earlier, but wasn't able to take it. We're on the way here (at the convention center) now. The major problems have pretty well been resolved." He welcomed the development committee job, and said "I'll spend full time on planning for Central Ohio, and that's what I was involved in for many

years. The committee was working on such matters as the I-670 freeway, the convention center, Capitol Square South, sewer programs, regionalization in local government, and energy.

As the arch fight continued, a local news editorial called for the arch's destruction: $^{44}$ 

The Union Depot arcade which might have added a unique touch to the new convention center has been destroyed. It is time to let the remaining arch follow suit, if public response to save the arch is any indication. There is no doubt that the Battelle Commons Corporation displayed a cavalier attitude in destroying most of the arcade last October. The Ohio Historical Society and the city administration also share blame in not properly monitoring the work done on the site. We hope both have learned to be more cynical in dealing with private organizations. But what is left? There is talk of moving the arch to Goodale Park -Are we going to make it a children's why? plaything? Will tourists flock to the site to see the main arch of an old railroad station? Is the city ready to accept continuing maintenance of the arch once it's in the park? Not likely. Setting up the ungainly structure near the convention also been mentioned. Ιf center commemorated a victory or was a monument to war dead, we might hold different views. But the arch represents a railroad station, nothing more. Columbus, instead of worrying about the arch, would be better served to turn its attention to the creation of a city landmark commission composed of professionals to review potential destruction of important buildings. A proposal for such a committee has been kicking around outside City Council for several months without

<sup>44</sup> Columbus Citizen-Journal, 26 February 1977.

significant action. Let's plan now to prevent further destruction of our heritage. The time - and the reasons - to save Union Depot have passed us by.

Two days after the editorial, BCC President Tipton said board members agreed to grant a two-month extension beyond the original deadline. 45 CUSA now had until 24 April to move it to a new location. Tipton said BCC was also suggesting CUSA decide to move the arch to a location outside the 27-acre convention center site.

The fight over the arch may have been symbolic. For there was something larger at stake. As an example, One positive result of the dispute may have been legislation Columbus. 46 landmark commission in creating a legislative proposal, drafted in the spring of 1976 and backed by the Junior League after the arcade destruction, provided for review of intended demolition of historic buildings - before they were carried off as debris in dump Expected to be acted on in early 1977, the trucks. legislation might get its first important use in the case of the Wyandotte Building, located at West Broad and Wall Streets. The Wyandotte, Columbus' first high rise, was designed by the same Daniel Burnham, opened in 1898, and was

Line of the Control o

<sup>&</sup>quot;A Quick Goodbye," p. ol.

listed on the National Register. Considered priceless by architects it had been long owned by the state of Ohio. It was not condemned as a fire hazard, and potential users said it didn't have enough floor space for large-scale office operations. The question of whether or not Burnham's ghost had been exorcised could provide the proposal with the test case it had missed over the arcade.

As background, in November 1976, the wrecking of the arch had influenced public consciousness apparently causing many people to pay serious attention to the merits of preservation. 47 Realizing this, some Columbus-area developers and planners were reluctant to test the public's The Ohio Historical Society, the Columbus chapter of the American Institute of Architects, several civic officials, and many private citizens raised a protest over the demolition, saying no notice was given before demolition began and that since it started during the night, was this done to minimize public observation. Whether Battelle Commons Company officials or the preservationists were right, developers and planners took notice of the public controversy. The executive director of the Capitol South Community Urban Redevelopment Corporation, began looking to see if there were any historical buildings in his

<sup>47</sup> Columbus Dispatch, 7 November 1976.

three-block project area. Except for the Ohio Theater, none were considered by preservationists to be "historically significant:" the Beggs Building at 21 E. State Street and the Hartman Building on the southwest corner of State and 3rd Streets. The official said he believed developers should work closely with historical agencies to determine the most feasible uses of such properties. A senior planner for the Columbus Department of Development said about 30 major Downtown buildings were considered historically significant, including several which were on the national register. One on that register which caused problems for both preservationist and developers was the Wyandotte Building at 21 W. Broad Street, which would cost about \$30 -40 per square foot to renovate. The building which was owned by the state, stood in the way of potential Huntington National Bank plans for a banking complex at Broad and High Streets. Bank officials didn't "need and don't want any problems with the public" regarding potential demolition of the Wyandotte Building. Huntington could acquire the building because the state wanted to sell it. authorizing that sale had passed the Ohio House Representatives but had not yet been acted on by the Ohio Senate, and if the Senate didn't act on the legislation in the present session that week, it would have to reintroduced in Assembly in 1977. By that time, local

historical officials hoped to have pushed through the City Council an ordinance creating a landmarks commission responsible for reviewing potential destruction of historical buildings.

After destruction began at the Union Station arcade, persons interested in getting the legislation enacted held a meeting to formulate plans. 48 The Junior League decided to spearhead the drive and planned to have the legislation introduced at the 22 November 1976 council meeting. landmarks legislation, drafted in early 1976 by an architect from Chillicothe would establish a review board composed of design professionals, a certified planner, a lawyer and others with technical expertise. The mayor would appoint the members of the landmark commission from a list provided by a nominating committee. The legislative proposal also called for a listing of all city properties considered to be historically or architecturally significant. Most major metropolitan cities had such a commission and "Columbus is pretty far behind the times" in the field of historical preservation, according to a preservationist. If such legislation had been in effect, it was the opinion that the old courthouse and the old Peruna Drug Manufacturing building at 115 E. Rich Street would never have been

<sup>48&</sup>lt;sub>Ibid</sub>.

demolished. Both the national were on register. Preservationists felt "Columbus is in a crisis-like need for such legislation, " to provide for "an intelligent blend of the old and the new. " A senior planner agreed, noting that, "We have not had an adequate means of commun: review and dialogue on which buildings ought to be maintained, so we approached each demolition on a crisis basis." A landmarks policy would give the community such an opportunity for these discussions. "Redevelopment efforts gain more cultural value when they are associated with historical structures, " he said. The planner also said "the obvious example is the Ohio National Plaza with the Trinity Episcopal Church in front," and blending historical buildings with new developments gives the community "a whole understanding of its past, present and potential future." Some other buildings that fit into the "historically" significant" category, were the Post Office at State and 3rd Streets, Trinity Lutheran Church at 3rd and Fulton Streets, City Hall, the Columbus Athletic Club at 136 E. Broad Street, and St. Joseph Cathedral at 212 E. Broad Street, plus nearly two dozen others.

In March 1977, the memory of a similar cry was announced that had occurred 16 years earlier to save another historical landmark in Columbus. 49 The Kelley Mansion, built on E. Broad Street in 1835 by Alfred E. Kellev, was doomed to the wrecking ball in 1961 to make way for the Christopher Similarly, a committee of preservationists started a drive to save the mansion - just as had been done in the case of the Great Arch - with their efforts costing more than \$50,000. In 1977, the classic Greek revival structure - reduced to many sandstone blocks - lay scattered in a field near Akron, in the custody of the Western Reserve Historical Society. Facing a bleak future, the mansion's stones were carted from its site in 1973, and there were no plans for using them. The Kelly mansion was the first pretentious house built in Columbus and the family moved into it in 1838. Kelley, Cleveland's first lawyer and first prosecuting attorney, at the age of 25, became the youngest member of the Ohio Legislature and continued in that body until he became its oldest member. A leader of Ohio's Whiq Party, he sponsored an enabling act for the Ohio canals, built them as the state's agent, and in 1837, pledged his Columbus mansion and his personal wealth - at a considerable interest charge - to save the state from bankruptcy.

<sup>49</sup> Columbus Dispatch, 14 March 1977.

also built a railroad, developed highways and wrote some of Ohio's banking laws. Those now trying to save the Union Station arch vowed that history would not repeat itself.

The efforts to save the Kelley Mansion had many similarities to the present effort to save the arch. 50

- Both groups wanted to dismantle the structures and rebuild them at other locations.
- Both groups were offered space on city parks.
- Both groups said they needed \$100,000.
- Both groups circulated petitions and published pamphlets about the structures in attempts to raise money.
- Both groups fell short of their goals when the deadlines arrived, and they both asked for time extensions.
- The property owners offered ideas for saving the structures to historical societies long before the demolitions were scheduled. The offers were rejected in both cases.

Meanwhile in May 1977, Columbus landmarks legislation, first mentioned in 1975 to remedy problems such as the one concerning the arch and the Wyandotte, still had not been introduced before City Council. While landmarks legislation would establish a commission and criteria to be used in determining what was to be listed and what was not, according to a city councilman, "The problem in general terms is that it sounds great, historically and

<sup>50</sup> Ibid.

architecturally significant property, but it's subjective. "51 By the summer of 1977, however, the Columbus Landmarks Foundation had been formed as a nonprofit corporation to find new uses for important old buildings by working with private and public development to prevent "indiscriminate" urban renewal levelings. 52 The action made it appear to have been a political move made in the wake of the public outcry over the destruction of the Union Station arcade, as a spokesman would say the foundation was not going to wait to act until the "bulldozer pulls up," and that it had already received requests for planning the renovation of some historic structures. The Foundation would be funded by a revolving fund made up of grants, local and national support and membership fees to be used to obtain important properties to be held until new uses could be found for the sites. Also, it appeared that the Wyandotte Building, the city's first skyscraper, would get a reprieve from the wrecker's ball, since at least two parties had contacted the state about making bids on the building with plans for its renovation. In other activity, plans for the restoration of the old Union Station arch were also moving ahead. Citizens for the Union Scation Arch (CUSA)

<sup>51</sup> Columbus Citizen-Journal, 19 May 1977.

<sup>52</sup> Columbus Citizen-Journal, 23 July 1977.

had announced plans to relocate the structure in a unique park to be created in downtown Columbus and with the Columbus and Southern Electric Company having pledged to donate the park.

By December 1977, supporters of historic preservation were attempting to try to sidestep Columbus City Council in creating a group to regulate the alteration or demolition of landmarks. 53 Those supporters, disappointed by the council's December refusal to establish a preservation commission, indicated they would consider alternatives, including a possible referendum vote on the issue. The council had voted 5-2 to indefinitely table the proposed ordinance to create a nine-member Historic Structure Preservation Commission. the commission, which would only have advisory powers to the council, would suggest which buildings in Columbus should be placed on a roster of historical structures, and before a building on the roster could be altered or demolished, its owner would have to obtain a "certificate of appropriateness" from the commission. If the commission refused, it could be appealed to the council. If the council refused to issue the certificate, the property owner would have to wait 180 days before altering or demolishing the building. However, backers of the bill

<sup>53</sup> Columbus Dispatch, 20 December 1977.

thought the proposed legislation was too weak, and they would like an ordinance with more stringent safeguards against demolition or alteration of historical buildings.

summer of 1978, preservationists were the unqualified victors in what was a "landmark decision" by the U. S. Supreme Court. 54 On 26 June 1978 the court ruled that New York City could prohibit construction of a 53-story office tower atop Grand Central Terminal, thus giving preservation law equal status to that of zoning and other urban development laws. The decision showed clearly the constitutional validity of landmarks legislation, and in the 6-3 ruling, the justices refuted the argument that landmark legislation represented an unconstitutional taking property without just compensation. The majority coinion was that without just compensation, the majority "Agreement with this argument would invalidate not just New York City law, but all comparable landmark legislation elsewhere in the nation. We find no merit in it. " All 50 states and more than 500 municipalities had preservation law, but many cities had avoided designating commercial properties as

<sup>54</sup> Columbus Landmarks Foundation Newsletter, Fall/Winter 1978-79.

landmarks for fear of legal challenges. The U. S. Supreme Court ruled that landmarks legislation was not only legal but very desirable

By the fall of 1978 landmarks legislation was getting a second chance in Columbus. 55 Council President Maury Portman asked City Council to reconsider the tabled legislation since the recent U. S. Supreme Court decision clearly stated that public property could be regulated to promote the public welfare. When the proposed Columbus legislation was first considered in December 1977, there was a recommendation that City Council defer consideration of the issue until after the Supreme Court ruling was made. Supporters for the legislation included, in addition to the AIA chapter and Landmarks, the Columbus Department of Development, the Columbus Development Commission, the City Action Task Force of the Junior League of Columbus, and Columbus Citizen—Journal.

As one outcome of the preservationists battle, DCGC announced its support of landmarks legislation in December 1978. 56 In its official newsletter the organization stated:

We have been working with Columbes City Council to reconsider legislation which was tabled by them in

<sup>55</sup> Ibid.

<sup>56 &</sup>lt;u>Development Committee</u> <u>for Greater Columbus</u>
Newsletter, December 1978.

December 1977. Columbus is heavily dependent on Federal Aid for most major programs and the State Historic Preservation officer must "sign off" in all applications for Federal monies. He has indicated such approvals will be come difficult, and maybe impossible, to obtain in the future unless Columbus enacts some type of legislation on this issue. Almost every other major city in the country has something on their books.

Opponents of the concept should understand that right now one person locally can independently recommend a structure be listed (without even the being Establishment of a notified). commission would at least provide a public forum discuss any such proposal. Also, we are recommending the legislation should be patterned after the procedure in Rezonings or Variances in Historic Use; i.e., the Preservation Commission hold hearing anđ make а recommendation to City Council, who holds their public hearing and then makes the decision whether a structure should be designated as a Listed Property.

Also, it would seem logical and desirable that this Commission review applications for "area" designations and make recommendations to City Council.

The blunt fact is that unless action is taken to establish an official process the decision to place a structure or an area in the historic preservation classification will be made by independent individuals or lay groups who might have the highest of motives but should not have the right to impose restrictions or limitations on the property of an unwilling individual.

As the summer of 1979 approached, another attempt to pass historic preservation legislation would be made before Columbus City Council, although much debate continued over portions of the proposal. 57 T' 2 Council had tabled the

<sup>57</sup> Columbus Disptach, 20 May 1979

proposal in December 1977 because critics raised many objections over its potential to hold up building projects and penalize property owners, and possibly unconstitutional since it would not offer property owners any compensation for interfering with their property rights. While the 14th Amendment guaranteed that property owners must be compensated for property taken away by government, some people argued that landmarks legislation, by delaying building projects, would constitute a "taking." However, the U. s. Supreme Court in June 1978 upheld constitutionality of landmark laws, when it ruled New York City did not violate property rights by refusing to allow an office tower to be built over Grand Central Station. impetus to reconsider the legislation was provided by a Councilman who earlier was strongly opposed to certain provisions of it. He now believed local landmarks legislation was needed to curb federal interference in local building plans. Specifically, he had been upset with the federal Advisory Council on Historic Preservation's opposition to local plans to spend a \$2 million federal grant on the North Side. Local landmarks legislation was preferable to federal interference. Also, the executive director of the Columbus Landmarks Foundation, said local legislation needed to ensure historical properties were not torn down before owners examin posibilities of reuse.

Despite the consensus on the need for local legislation, disagreement remained over several of its provisions with one of the biggest concerns being the 180-day waiting period.

While there may have been other reasons, one of the main ones was possibly associated with plans to develop the Capitol South area. 58 The three square block area to be redeveloped south of the State House has been promoted as one of the most extensive redevelopment projects to be attempted in the history of Columbus. To encourage private development, city government had supported the Capitol South Urban Redevelopment with financial assistance and helped it to acquire the land. Columbus Landmarks has shared the enthusiasm to revitalize the area as a catalyst for redevelopment of the Downtown but has opposed the project for its 1950s style urban renewal site-clearance approach, one which would prevent historical transition between the new development and the existing environment, and possible result in many other structures in the Downtown becoming economically obsolete. As this writer left Columbus in the summer of 1979, he had recorded no evidence of landmarks legislation.

Columbus Landmarks Foundation Newsletter, Fall/Winter 1978-79.

### Summary

This chapter is significant from the standpoint of the considerable difficulty experienced by preservation advocates to access and influence the Columbus redevelopment policy process. Earlier, the writer arqued that coalition building and compromise as keys to success. In the fall of 1976, a coalition of preservationists, members of civic groups, architects, and private citizens came together to access this process presumably to prevent destruction of the Union Station arch. Preservationist officials believed they had an agreement with Battelle to save the arch. But levels of access and influence are also related to the fact that different people and groups have different levels of knowledge about the processes, substances and timetables involved. Battelle had moved under cover of darkness, as it was reported, to begin demolition of the arch. preservationists gained access to this process, first by filing suit to bring about a temporary restraining order. Later the coalition would attempt to dramatize the issue in such a way that it could activate those who did have power to support their cause. But the BCC, not a passive target to these pressures, would resist, and eventually remove the The coalition would not be able to move into close alliance with local public officials to become associates in forming and overseeing public policy as was Battelle. Considerable activity had gone on in the formulation and legitimating phase of the redevelopment policy process in Columbus to give the interests in BCC a favorable position in the governmental process.

Perhaps, though and also, significantly, the preservationist coalition did have a measure of influence - not in preventing the removal of the arch, but in preventing funds from going into the center. It is to be recalled the UMTA terminated Columbus' application for capital grant assistance to construct the multi-model transportation center. In dramatizing its issue, the coalition was hardly successful at the local level but through relations at the federal level impacted the process. There are several channels of access and possibly influence in the policy-making process.

An important point of learning is, berhaps, some communities have differing values with respect to renovation and rehabilitation or preservation activities. The trend nationally in many cities experiencing the urban "renaissance" today, is restoration, not demolition. In attempts to provide a "creative blend" of the old with the new, there has been some effort to preserve some of the old while enhancing with the tinsel. But Columbus is somewhat of an anachronism. For at both ends of Downtown, site-

clearance projects are underway. The Union Station was demolished at the north. And three-square blocks are being cleared in the south.

#### Chapter Five

CLYDE R. TIPTON, JR., AND THE STRUCTURE OF POWER AND INFLUENCE

Power abdicates only under stress of counterpower.

Martin Buber: Paths in Utopia, 1950.

While March 1977 began for Battelle Commons on a somewhat rancorous note as the preservationists continued to fight for the arch, BCC provided its first report to the community. The report covered the company's first full year of operations, commented on major accomplishments, and provided a certified financial statement for the fiscal year ending on 31 October 1976. In terms of 1976, the report confirmed the agreement completed between BCC and the City of Columbus for the lease of certain property on the site. Also, a sub-lease and agreement was signed with a hotel development organization for construction of a major hotel, and clearing of the Union Station area was begun in preparation for construction of Phase L. Construction would begin in 1977. In terms of its financial status, while BCC had been engaged in designing, planning and organizing, the principal funding of the company had been invested. As the audited financial statement showed, the company's assets had

<sup>1</sup> Columbus Dispatch, 20 March 1977.

# BATTELLE COMMONS COMPANY FOR COMMUNITY URBAN REDEVELOPMENT BALANCE SHEET

## October 31, 1976

ASSETS
Cash
Certificates of Deposit
Notes Receivable
Accrued Interest Receivable
Prepaid Insurance and Other Assets 69,500
U.S.Government Agency Bonds
(Market-\$28,594,000)
Furniture and Fixtures, less allowances
for depreciation of \$1,650
Architectural and Development Costs 911,715
\$41,311,116
LIABILITIES AND FUND BALANCES
Accounts Payable and
Accrued Expenses
Fund Balances:
Construction \$38,518,809
Administrative
Commitments \$41,311,116
STATEMENT OF CHARGES IN FUND BALANCES (EFZ) Year Ended October 31, 1976 CONSTRUCTION ADMINISTRATIVE TOTAL FUND FUND
Balance at November 1, 1975 \$35,746,999 \$2,822,331 \$38,569,330 Investment Income and other 2,771,810 217,263 2,989,073 Expenses (Deduction) (322,057) (322,057) Balance at October 31, 1976 \$38,518,809 \$2,717,537 \$41,236,346
STATEMENT OF ADMINISTRATIVE FUND REVENUES AND EXPENSES (EFZ) Year Ended October 3!, 1976
REVENUES
Investment Income
Other
EXPENSES
Compensation and Taxes Thereon 175,328
Professional Fees and Services 64,621
Insurance
Office and Business
322,057
EXCESS OF EXPENSES OVER REVENUES \$\frac{104,794}{}

increased. The release of this information was timely, for President Tipton of Battelle Commons Company was about to be caught up in the controversies and crises that can and have beset redevelopment politics in urban America. As related to Chapter Six, he would face certain realities that make the "redevelopment briar patch" a fascinating mosaic of interests, actors, issues and problems to be studied in the urban setting.

## Proposal Costly Activity

Early after taking command, Tipton hired Battelle's favorite architectural firm — Naramore, Bain, Brady, and Johanson of Seattle, who replaced Murphy's "early industrial medieval" plans and came up with a new plan featuring a vaulted, "thin shell" concrete roof, solar energy collection panels, and a huge convention hall, spanning the railroad tracks which ran diagonally from southwest to northeast through the property. The new proposal was, according to Tipton, "a completely different architectural plan which would include a transportation center, meeting and exhibition facilities, shops, a hotel, theaters and surface parking." In the spring of 1977, cost was now estimated at \$73.2 million. In July 1975, though, Tipton announced

<sup>&</sup>lt;sup>2</sup>Cook, "Race to Revitalize Downtown," p. 40. See also pp. 199 above.

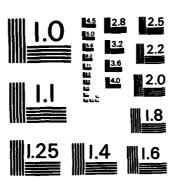
ground would be broken for Bicentennial year observances with the complex completed by 1979. But then trouble began. Structural and safety problems, he was informed early in 1976, made it virtually impossible to build a convention hall spanning the tracks. And of an estimated \$100,000, Naramore's initial design had to be scrapped in order to build Phase I of the Ohio Center almost entirely on ten acres south of the railroad. Any major commercial, residential or recreational development north of the tracks was reserved for Phase II at some later date. As work on the new design began, other changes were also being made. Exhibition space previously estimated as high as 200,000 square feet, was reduced to somewhere between 65,000 and 85,000 square feet. Tipton and Lasko had decided after market research it was unrealistic to expect Columbus to attract the major national conventions which required huge floor spaces. Staff members at the Columbus Area Chamber of Commerce responded they weren't asked for help and had never seen the study, however. And Bob Bashor, director of the Columbus Convention Bureau, was reportedly unhappy about what he saw as an arbitrary action which might exclude several large conventions from the new center. As emibit space was reduced, the number of meeting rooms designed for small and medium-sized groups was increased. And as the plans for a major retail facility were pared also, the

expensive department and specialty stores like Nieman-Marcus and Saks Fifth Avenue which had initially expressed interest in leasing Ohio Center space were no longer willing to make a firm commitment. Also in 1975, Tipton said he would seek \$3 million in federal assistance to provide solar heating and cooling for the complex and that he had a developer for the hotel, the theater and commercial aspects of the project. COTA officials were optimistic they might get as much as \$8 million for the transportation center and federal officials thought the prospects were more than encouraging. Although by February 1976, Tipton was saying he could have an agreement for a 15-20 story hotel at the site within a month, things began to turn to bisque. Bicentennial July 4, for example, passed without a groundbreaking. October, Tipton said the wait was worthwhile, for the money was in the banks and drawing interest and he forecast the shovel would turn in "early 1977." He would also say he expected a construction agreement and an operator for the hotel, which was then regarded as an integral part of the convention center construction, within two weeks. By then, though, the price of the center had escalated to \$80 million, and in Tipton's estimate, site preparation would start in February or March 1977 with foundation work in the first half of 1977 and construction of the 17-story 730-room hotel to commence shortly thereafter. In November, 1976,

Tipton announced appointment of Chuck Warner and Associates, a Columbus real estate firm, as exclusive leasing agent for retail space; but by early spring of 1977, no firm commitments had been announced. And despite the potentially misleading language on the 1971 ballot, BCC officials began to argue a sports arena was never a realistic part of the Ohio Center - at least in Phase I. Also, early designs called for a "twin cinema" theatre, with a 1,000 seating capacity, to adjoin the multipurpose complex and hotel buildings. In March 1977, there was no mention of a theatre in the new plans. Early plans also incorporated an elaborate "Transcenter," to include Amtrak railroad station facilities, a large terminal for both COTA and inter-city office the Ohi space for Department Transportation (ODOT) and other agencies, and easy access to the convention center for cars and pedestrians. Battelle's application for more than \$6 million in federal funding was rejected by the Urban Mass Transit Administration. On then current plans, the Transcenter was located north of the railroad tracks and called simply the COTA/ODOT building. There had, it was reported, apparently been little cooperation among the Jarious transportation agencies, and the Transcenter's future at best appeared uncertain. With the expensive "thin shell" concrete roof having been dropped in favor of a cheaper, more conventional

truss roof, the same type recommended in the first design, plans for the \$3 million solar energy collection system were drastically reduced after the Energy Resources Development Administration told Tipton his proposal was simply too expensive. Tipton was now hoping for a smaller system costing about \$1 million. Also plans for a large multi-level garage nearby had been shelved. Perhaps the change in Battelle Commons' plans, which received the most publicity though, was the decision to raze the old Union despite an effort Depot Arcade. And, by historic preservationists to raise the \$265,000 needed to save the remaining archway, demolition was still likely to proceed. Then, in early 1977, Cremean, who had made the transition to BCC as a first-assistant to Tipton, quit BCC to take a position as executive director of the Development Committee for Greater Columbus. In response, there were unconfirmed reports that the quietly efficient Cremean could not mesh with Tipton's personality. Cremean in his new position would say he was charged "with promoting whatever is good for Columbus and this (the center) is good for Columbus." He would not comment further, though, on why he left the BCC staff nor what his views were on the progress of the work there. Tipton would deny though that he and Cremean clashed personalities. "It wouldn't surprise me," Tipton said, "That a man of Hap's stature and experience...might not be happy working in a project where he'd once been boss...We're two different kinds of people but I think we both have ... :e than a casual respect for each other, even though we might differ in our methods of going at a job." About the only major element in Phase I of the Ohio Center which had remained relatively unchanged in March 1977 seemed to be the hotel. But controversy would brew here, too. 1976, Battelle Commons contracted with an Atlanta developer to handle financing and development of the hotel. proposal reportedly was accepted only after Galbreath interests had tried and failed to put together a workable package. But then the latest change of the project involved Earl Worsham of Atlanta, Georgia, principal of the Tensor Company which was trying to arrange construction of a hotel at the site, for within the month he had good news and bad As background, in February 1977, Dollar Mortgage Company, a subsidiary of Dollar Savings, had put together a proposed syndicate of savings and loan associations to finance the hotel's mortgage. With mortgage financing secured, that left construction financing, which was considered usually relatively simple, and in addition, equity financing, or the actual ownership of the hotel. As conditions, BCC agreed to loan Tensor, Inc., Venturi International's subsidiary nearly \$2 million, most of which Worsham would in turn invest in the project. Worsham then

URBAN REDEVELOPMENT AND THE STRUCTURE OF POWER: THE IMPACT OF PRIVATE INT. (U) AIR FORCE INST OF TECH WRIGHT-PATTERSON AFB OH A ANDREWS 82 AFIT/CI/NR-82-60D AD-A121 573 F/G 5/4 UNCLASSIFIED NL



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS - 1963 - A

began recruiting other investors. By early February, he said he expected to be able to break ground for the hotel in March. In March 1977, then, Tipton announced both the convention center and the hotel would be open for business by mid-1979. At that time, some outsiders were less than saguine about that schedule.

One may ponder why Tipton was now being subject to these attacks. After all, politics, except for the "Arch controversy" appeared routine until this point. But in explanation since Tipton had not broken ground in March, what was once latent was now turning into rancorous conflict. And also, based on the events thus far taking place, it appears the controversy was becoming unique and salient to a leadership, which as we see later, would take effective action on the local level.

At the time, and as controversy began to swirl, Tipton's style so far had not publicly alienated any of his trustees. And although the trustees had sometimes subjected him to close questioning during their private luncheon sessions which preceded their monthly meetings, they had made no visible efforts to overrule any of his major plans. Nor had they openly expressed any discontent with his apparent setbacks during the past two years. Others

<sup>3</sup> Columbus Dispatch, 19 June 1977.

disagreed with his penchant for secrecy and his aggressiveness however. Interests from both the public and private sectors began to question his decision-making ability and whether or not he was working closely enough with other governmental agencies involved in the project. Tipton responded that he was well aware of the criticism, saying he could be more open, "but that's not the way deals are made. You have to go out and look for partners and try to package an attractive investment, and you just don't do that in public." As a result of his behind-the-scenes efforts, he argued, the public would ultimately get a better convention center and a better hotel. As administrators will often charge, others are unreasonable or ill informed, and he would dismiss the complaints as being insignificant.

Thus, in Spring 1977, and barring any unforeseen obstacles, some hoped ground would be broken for both the convention center and the hotel, but after that City Hall insiders predicted a series of minor, but cumulatively significant delays as various entities wrangled over sewer lines, essential service elements in the project. 5 City government still must lend technical expert. Tipton's view was the Ohio Center would be open long before that, and that

<sup>4</sup>Cook, "Race to Revitalize Downtown," p. 41.

<sup>&</sup>lt;sup>5</sup>Cook, "Race to Revitalize Downtown," p. 41.

when it did open it would operate profitably, largely because of his efforts to "aggregate some things that are known to be losers (like the convention hall) with some things that are exquisitely profitable (like the hotel and the retail operations)." To Tipton and his supporters, the quasi-private approach, backed by Battelle Commons' funds, assured Columbus the best possible convention center at the most reasonable price. But some thought he was out of his element.

To add to his consternation, Tipton didn't exactly receive good news when, during March 1977, the Ohio Supreme Court agreed to consider the suit contesting ownership of the 2.12-acre tract, which was being contested by the Lazelle heirs. The heirs, claiming the state improperly acquired the land in 1958 when it bought an easement from the Baltimore & Ohio Railroad Company, still contended the Ohio Department of Transportation should have dealt with them when the land was bought for \$544,082, plus \$84,257 in damages for construction of the Third Street Viaduct. The Franklin County Common Pleas and Appeals Courts had upheld the state's argument that the land was still used for transportation and was not a violation of the easement agreement obtained from Mrs. Lazelle by the Cleveland,

<sup>6</sup> Columbus Dispatch, 11 March 1977.

Columbus, and Cincinnati Railroad Company. In the appeals court decision, however, the judge ruled that highway use was different than railroad use since railroads were private carriers while the public used the roadway. At one point in their brief, state attorneys said Supreme Court acceptance of the case would be tantamount to upholding the heirs' claims since only one issue was disputed and all arguments were presented in the briefs. BCC had hoped to get title to the property free from the state, since a viaduct exit ramp was on the property at Naghten and Third Streets.

Next Tipton was to encounter resistance from city officials. The March, also, he along with a vice president of Nationwide Insurance Company sought city assistance to eliminate off-street parking requirements for new development in the area immediately north of the downtown. An important insight for understanding the work of city bureaucracies is that city bureaucrats exercise broad discretion. And in so doing, they may be experts, but not necessarily neutral. One of the areas in which they have impact is zoning. Upon receipt of the request, city officials expressed surprise and said they would meet on Monday, 28 March, to consider the request. As background, in 1957, city council exempted the downtown "core" from

<sup>7</sup> Columbus Dispatch, 26 March 1977.

provisions of the zoning code, which stipulated certain off-street parking requirements be met when new development The purpose of the exemption, according to a transportation planning engineer for the Division of Traffic Engineering, was to spur redevelopment of the downtown area. Developers normally were required to provide for parking to along with construction. this time, At BCC Nationwide Insurance, had asked the city to extend the northern boundary of the exempted area. The then current "core" boundary was Fulton Street on the South, Front Street on the West, Naghten Street on the North, and Grant Avenue on the East. Battelle and Nationwide wanted the northern boundary to stretch to Goodale Street or the Innerbelt. letter which the city attorney's special projects coordinator referred to the Development Department stated

All phases of the Ohio Center project (east of High) and Nationwide property (west of High) within the area presently outside the downtown area have structures either under architectural design or in future planning that are beset by adversely severe limitations as a result of the present (zoning) ordinance.

BCC's and Nationwide's contention was that the "restraints of the present ordinance present unnecessary difficulties for an area so closely related to an essential part of the downtown area." A recently completed city-sponsored downtown comprehensive planning study noted that the completion of the Nationwide complex, the Ohio Center, and

Capitol South "will result in parking (shortages) related to these specific projects and to the larger employee population of the downtown area by displacing existing fringe parking facilities." As a result of the request, Development Department personnel would meet with city traffic engineers to discuss the request, with initial reactions being less than positive. The city's traffic engineering department was concerned that exempting all land south of Goodale might lead to some undesirable land uses without providing adequate parking. The Development Department was seeking a recommendation from traffic engineering in addition to a study that it would make on the request, department sources said. To satisfy the request, Council would have to revise the zoning code to allow enlargement of the exempted area. Extending the boundary north of Naghten would have an impact on the convention center, although Development Department sources said then the center's parking plans met code requirements. The same sources said the department had not reviewed plans for the proposed hotel at the center, and thus was not certain hotel parking plans were up to code requirements. Tipton, at the time, was unavailable for convention center parking plans. In non-exempted areas, the code required one off-street parking space for each hotel sleeping room. The zoning code also required one parking space for every 100 square feet of

restaurant spaces and one parking space for every 400 square feet of commercial housing. The boundary change also would affect Nationwide which owned sizable real estate holdings in an area bounded by Maple Street on the north, Naghten on the south, High Street on the east, and Front Street on the west, had targeted those holdings for redevelopment.

City planners (development and traffic officials) responded quickly after meeting to discuss the proposal by saying they were unlikely to give quick approval to a request to eliminate off-street parking requirements for development north of the Downtown area. 8 One Downtown planner for the development department said "The feeling is that the proposal is inappropriate at this time." The city was currently studying parking needs for the entire Downtown area, and it might be premature to grant a special exemption from the parking requirement at that time, he explained. While the planner sounds like a neutral expert, perhaps there was a bit of bargaining going on as to what BCC and Nationwide could and could not do. Other city planners expressed surprise at the request, because BCC originally planned to provide more parking space than was required in the zoning code. "They've gone from wanting to provide extra parking to not providing enough parking," one planner

<sup>8</sup> Columbus Dispatch, 30 March 1977.

commented. BCC President Tipton disagreed. Tipton said Battelle Commons had no intention of providing less parking than was previously announced. "We're just saying that we should be included in the central business district, and "Don't treat us any differently than the rest of the CBD." Tipton said the importance of the Nationwide Plaza and convention center developments to Downtown should warrant their inclusion in the district.

The BCC, Nationwide action served to raise caution in the community as a local newspaper editorial stated.  $^9$ 

Caution should be the watchword as the city deals with Battelle Commons Company's efforts to have off-street parking requirements lifted in the area immediately north of the downtown area. Battelle, along with Nationwide Insurance is seeking the elimination of city code-created ratios between parking spaces and business enterprises. ratios are already set aside in the downtown area. Both companies seek a boundary change which would place their development areas within the core. In trying to track down reasons for the proposed exemption from the city code, the Citizen-Journal has found a number of conflicting views. This may be because there has not yet been a formal meeting between the companies involved Columbus' engineering and development and departments. But we also should remember that confusion played a major part in the city's past dealings with Battelle, specifically destruction of the Union Depot arcade. Let's move slow on this one. And this time get everything down on paper.

Golumbus Citizen-Journal, 30 March 1977.

Often when the political situation becomes muddied, the local press becomes involved. This was one of the first instances in which a local newspaper would raise questions about the BCC operation since it had taken over the center's development.

Thus the arch would again surface as a reason to torment Tipton. To return to that story, on 12 April 1977, the arch spent its last whole night under a ceremonial floodlighting before workmen began to dismantle it for a move to Goodale Park. 10 As a means to thank contributors for close to \$10,000 in cash and services totalling about \$30,000 and as a prelude to a \$50,000 fund raising campaign by CUSA to complete the move and the reassembly in the park, the lighting was held. And, Thursday, 14 April turned into a happy day for CUSA, when Marble Mosaic Company unloaded decorative work which had just been removed from the arch foundation. 11 The Cleveland Company paid \$72,122 for the operation, upon dismantling the arch would reassemble it on a new base in Goodale Park within 180 days. Much of the work and materials were being donated, but the committee was still trying to raise about \$50,000.

<sup>10</sup> Columbus Dispatch, 12 April 1977.

<sup>11</sup> Columbus Dispatch, 15 April 1977.

In a more peaceful moment, BCC announced near April's end construction of a \$2.7 million connecting roadway would begin the first phase of building the Columbus convention center. 12 Battelle had awarded a contract to Kokosing Construction Company for a design and completion of the elevated roadway which would be over and parallel with the relocated roadway. Work was expected to start in mid-June and be completed in the fall. The roadway would run generally in an east-west direction and would be built just north of the existing roadway to the demolished station. Also the road would have at least two lanes on each side with an open median looking down into the railroad yard. The connector, to be 1,100 or 1,200 yards long, would also provide access to the north side of the center, according to Tipton. Kokosing Construction, with offices in Worthington and Frederickton, Ohio, would be general contractor. Columbus Engineering Consultants had been retained for preliminary and final plan preparation.

Also as the month ended, the arch was being disassembled and Union Station was moving to its farewell. 13 After 80 years atop a viaduct, with trains rumbling underneath and trucks and cars in front, and a narrow escape

<sup>12</sup> Co. umbus Dispatch 25 April 1977.

<sup>13</sup> Jumbus Citizen-Journal, 28 April 1977.

from a wrecking crew, the Union Station's arch was described as "plumb perfect," according to an official who was in charge of moving the 750-ton structure. An architect with CUSA said "That means the arch is plumb perfect after all these years." The Cleveland official said "It was a first class job. Every bed and butt joint is still full of mortar. It could've stood another 100 years." Meantime, the committee still needed \$46,774 toward its goal of \$106,000. And in about two weeks, it would begin selling T-shirts with a drawing of the arch imprinted on them and special arch telephone book covers. Also some limited edition lithographs of the structure, at \$100 each were still available. what CUSA members had been calling "the big event," a fund raising rally, was scheduled for 27 May. Putting the arch back together would be like reassembling a cut diamond. Meanwhile, CUSA was perhaps moving toward letterhead status--the organization had established a post office box address for those interested in donating some of the "glue" to reassemble the arch.

During the month of April with pressure mounting, Clyde R. Tipton, Jr., President of Battelle Commons Company for Community Urban redevelopment, gave a personal accounting of the project. 14 As far as structural changes

<sup>14</sup> The Columbus Engineer, April 1977.

due to the energy restrictions and plans for solar energy, Tipton stated BCC officials had talked about solar energy a number of times and had made two proposals to ERDA but both, regrettably, had failed to really attract their attention. And, even though they kept hearing that ERDA wanted to spónsor a commercial demonstration of solar capability BCC went essentially unnoticed, and was not happy about that. The initial proposal was for a farm of 100,000 square feet which would have generated 50 percent of the total heating and cooling requirements of the whole project. ERDA replied that too much money was needed, about 2.5 million dollars. A subsequent proposal was for a 50,000 square foot farm thinking that this would really get their attention, but it hadn't. Tipton said BCC would keep trying because solar energy really made sense, asking where in any downtown can you have effectively three or four acres of space for a farm?

In response to the project's completion date, Tipton felt that was a function of when it started. Earlier BCC had said it hoped to have the center open for business in late 1979, possibly no later than early 1980. But using the construction management technique, they wouldn't fasttrack this thing. He felt it to be well planned and said that 27 to 30 months was a good construction schedule. However, if the city had another winter like the last one there could be

delay. In 1976-77 the December, January and February construction months would have been lost. The heart of the question then, he felt was when they could hope to get started, and that was probably mid year 1977.

As far as what other uses besides conventions were planned for the Ohio Center, Tipton felt until BCC got the center operating or at least well under construction, he wouldn't be able to talk seriously about bookings. He felt the center would have a rather exciting retail mall of 70 or 75,000 square feet which would add to what one could do downtown, several nice restaurants, and hopefully a night club. BCC was also currently looking to have at least four theatres, looking at a way to provide permanent type seating in the main hall area to perhaps support basketball or hockey or perhaps not all sports, but major spectator type things. He felt they could provide a facility for 10,000 -11,000 people for an entertainment type activity, a top rate performer or band for example. Also they could have some really good art or craft shows for local talent, something which hadn't been done too much of in the past. He remarked that in taking another look at one of the more striking architectural features, the atrium, one could see that the open concourse was much like an amphitheatre, and perhaps they could get five or six hundred people in this area for a skit or something at noon time.

In conclusion, Tipton felt the center was going to be kind of interesting engineering-wise as then currently conceived. It would use a combination of pre-cast and structural steel, and have perhaps a space frame kind of roof that would be built on the floor and then jacked up into place for the exhibit hall. The big coal plant, he felt was certainly different for Columbus.

With high hopes, to get the center development in motion, BCC next hired a man who used to help get moon rockets off the ground to get the now long delayed Columbus convention center off the ground. The company announced it had named a new manager of construction and facilities engineering for the multi-purpose facility. For the past two years, he had been deputy director of the Ohio Department of Transportation for construction administration. Earlier, he was a project engineer and then launch area coordinator for the Appollo V project.

With groundbreak still expected within a few months, in late May 1977, the center had another setback, when Dollar Savings and Loan and 12 other lending institutions withdrew major financing for the Ohlo convention center. 16 At stake was approximately \$26 million of the estimated \$32

<sup>15</sup> Columbus Citizen-Journal, 9 May 1977.

<sup>16</sup> Columbus Citizen-Journal, 26 May 1977.

million cost of the hotel, according to developer Earl Worsham. A Dollar Savings executive vice president said "the decision to remove ourselves" as lead permanent lender was made early in May. The problem was Worsham's inability to line up other prospective borrowers - in addition to himself - in time to set a tentative closing date for the loan, he explained. He stated

At the request of the other associations we couldn't continually keep putting off the closing date. We're in the middle of the building season and the other savings and loans had to move. We prolonged it as long as we could, but they have other loans to consider.

He said further, the "lack of potential equity" of the borrower could change and the financial institutions would then be interested in reconsidering. "It's just that all the factors didn't come together soon enough," he said. As a consequence of this action, Worsham was now looking for the needed finances among "a couple of major national "I'm very optimistic concerning institutions," he said. financing." According to Worsham, the problem with Dollar Savings was only over "lack of agreement," not lack of confidence by one side or the other. "This doesn't affect the construction timetable," he added. The hotel was expected to take 21 to 24 months to build. BCC's response came from board chairman G. C. Heffner who said, "I'm sure Worsham is doing many things to put the (financing) package

together." "We don't know and we don't want to be involved; that's what we hired a developer for. " Heffner said BCC would "maintain the integrity: of its contract with Worsham by keeping hands off." He added, however, that if hotel financing wasn't arranged by the time the developer's contract empired early in August, BCC could get a new developer or borrow the money itself. Saying he wasn't worried by Dollar Savings' withdrawal, Heffner promised "We're going to build a hotel one way or the other." According to Worsham, plans for the hotel, "are moving along nicely" and bids on the foundation were due to Turner Construction within a few days. He had no comment on selection of building management, Hilton but representatives reportedly had studied designs of structure by Prindle and Patrick, Columbus architects.

while Worsham still faced the problem of getting the money to build the hotel (his contract with BCC would expire in August, and plans to borrow \$27 million from Columbusarea lending institutions had recently fallen through), BCC confirmed in the first week of June, Hyatt Hotel Corporation, had signed a contract to run the hotel to be built at the proposed Columbus Convention Center. 17 Worsham said his company had signed a 30-year contract with two 10-

<sup>17</sup> Columbus Dispatch, 2 June 1977.

year renewal periods with Hyatt. The contract stipulated the hotel would be a Hyatt Regency, "the top of their line," as the hotel developer confirmed that his first choice for the management company was Hyatt. "Having built the Hyatt Regency in Knoxville, I made sure the design would meet the Hyatt standards," he said. Hyatt officials had "seen the preliminary drawings, " Worsham said, and were to meet 16 June in San Francisco, California, with Tensor people to further discuss the plans. Hyatt was headquartered at Burlingame, California, near San Francisco. Under agreement, according to the Tensor official, Hyatt also would run the meeting rooms, ballroom and banquet rooms. The convention center would get a percentage of the gross computed on a "sliding scale" with a "complicated formula," he said. There was no clause which would allow BCC to fire Hyatt if it was unhappy with the way the hotel was run, but Worsham felt if Hyatt did not run "a first-class hotel," it would be breaking the contract, and he added, "We don't anticipate that BCC also didn't have a clause to insist the management company invest its own money in the hotel if the facility didn't make a profit." But Worsham was only praiseworthy of Hyatt, saying, "without question the (Hyatt officials) have the most prestigious hotel chain in America, and "the building has been designed since day one as a Hyatt Regency, with the bubble elevators and atrium lobby."

"Hilton is doing a good job, but they already have two outlets of a different nature in Columbus." He added Hyatt is popular with business travelers who should balance the occupants the convention center will draw. The contract also included a "minimum, basic management fee," as well as "incentives based on profitability" to insure BCC of good performance, according to the Tensor ofricial. Meanwhile, a Hyatt executive vice president also confirmed the management contract ending months of speculation that Hilton hotels had the edge over Hyatt. 18 He said Hyatt's contract gave it the right to review proposed plans and specifications from building design to interior decor. Hyatt then managed 52 hotels throughout the U. S. and a sister firm, Hyatt International operated 26 overseas. The Hyatt official also stated "we're trying to refine their (Tensor's) drawings now," and "In two weeks I think their whole group and our specialists will meet in San Francisco" to analyze current plans. Coincidentally, the same day Tensor and Hyatt completed their agreement - 25 May - Dollar Savings and Loan it and 12 other lending institutions revealed withdrawing the planned \$27 million loan for the hotel. Thus, Worsham's financing proposal would have modified, and according to Hyatt, Worsham was now looking

<sup>18</sup> Columbus Citizen-Journal, 2 June 1977.

for a long-term loan from an institutional investor such as an insurance company. "If they don't get the financing, we don't get the hotel. So we're very hopeful," the Hyatt official added. Thus, the hotel had a developer, a manager, but no money to develop it.

BCC officials were delighted with the news but cautious about the money. 19 President Tipton believed Hyatt's involvement couldn't "help but be highly regarded by potential lenders." He said Worsham had several meetings "set up in New York" with possible lenders. In response to the planned San Francisco meeting, Tipton said someone from his group probably would attend the meeting, too. The BCC board was to review the Tensor-Hyatt contract at its next meeting on 21 June. BCC's board chairman, in response, said "I think it will be delightful to have a Hyatt House in town...But the thing we've got to remember is if this guy doesn't develop the hotel, this (Hyatt arrangement) could change." Worsham had until August 8 to sew up the hotel package. BCC board members would study the Tensor-Hyatt contract carefully, he added: "We want to make sure they can't just walk off" if the hotel isn't making money, he said, and the board does want to be able to oust managers

<sup>19</sup> Ibid.

not doing a good job. The board chairman expected the board to have copies of the agreement at the June 21 meeting.

A week later, Worsham's company had hired a firm of mortgage bankers in New York City to help it get the money. 20 Brooks Harvey (a subsidiary of Morgan Stanley Corporation) had been engaged as Tensor, Inc.'s, exclusive agent on all the financial aspects. Worsham also confirmed at the time, Brooks Harvey had asked Equitable Life Assurance Society of New York to be the major lender. said, "I do know that Brooks Harvey approached Equitable," but he was upset that news of the feeler leaked out. "A loan of this size is such a sensitive matter," he explained. The hotel, to be operated by Hyatt Hotel Corporation which recently signed with Tensor, was to cost about \$32 million. Tensor approached the mortgage bankers after it realized a proposed loan from Dollar Savings Association and 12 other lending institutions was not going to go through. noted that Brooks Harvey had "accomplished in excess of \$200 million of hotel financing in the last eight months."

The leak Worsham was referring to had appeared that morning in the local press which announced, Equitable Life was thinking about becoming the major lender for the planned

<sup>20</sup> Columbus Dispatch, 9 June 1977.

hotel. 21 In that article, an Equitable vice president for hotel and mortgage activities had announced the firm had been approached by Brooks Harvey mortgage bankers, subsidiary of the Morgan Stanley Corporation. The official acknowledged "It is being considered," but "We are a long way from coming up with the proposed loan amount," saying the numbers mentioned in connection with Dollar Savings were good "ballpark figures." The Equitable officer also stated Hotel Developer Earl Worsham, of Tensor, Inc., Atlanta, Georgia had talked with Brooks Harvey within the last two weeks. He said also "To determine if the project is in our financial interest or not will probably take a couple of weeks." "If we think then it's a 'do-able' deal, there will more appraisals" which could take another month. Equitable, which then planned to locate a regional service center in Columbus in 1978, was probably the country's leading hotel construction financer, the insurance official "We made at least \$375 million in hotel loans during noted. the last calendar year, " he said. Placement of the regional service center in Columbus and consideration of the hotel loan were not directly related, Equitable employees in New York said. "We are in the site selection phase," said one who was the director of corporation relations. The service

<sup>21</sup> Columbus Citizen-Journal, 9 June 1977.

center will need about 65,000 square feet and employ about 250 people its first year, she said. Equitable had not decided if it would build or lease, she added.

But even with the news of the recent signing and financing attempt, Tipton remained under fire. A local press editorial opined  $^{22}$ 

Residents of the Columbus area have reason to be disappointed at the lack O:: progress constructing a much heralded Convention Center. succession of delays has raised legitimate concern about the project's management. At one time developers expected to break ground for a proposed \$32 million hotel in 1976. 710-room, That deadline slipped mid-1977 past, and in construction still has not begun. Recently, officials of Battelle Commons Company, which is responsible for developing the Convention Center, had more bad news for Columbus residents. Atlanta development firm arranging construction of the hotel reportedly signed a contract with Hyatt Hotel Corporation to run the large facility. However, this developer was unable to raise \$26 million in mortgage money needed to start the project. Whether the Atlanta firm can arrange new financing should become clear in August when the developer's contract expires. The responsibility for making the Columbus Convention Center a reality is on the shoulders of Clyde Tipton, a metallurgical engineer and one-time Battelle vice president for communications. proposed that Battelle Memorial originally -Institute plan and construct a convention center in Downtown Columbus. Tipton was named president of the development company on the grounds that 'you don't ask somebody else to implement your Unfortunately, the project has not ideas. 1 evolved as expected, despite the \$36.5 million made available to Mr. Tipton in early 1975 for building the center. Part of the convention

<sup>22</sup> Columbus Dispatch, 22 June 1977.

center problem apparently stems from Mr. Tipton's penchant for secrecy and poor communications with the governing board. Also, he opted to look across the country for a project developer when proven developers are available in central Ohio. Unless the Convention Center gets under way this summer, the public may demand more vigorous and imaginative management.

Thus to some in the community, George Korb's dream was becoming Tipton's folly.

In the 1976-77 edition of Who's Who in America, Clyde Tipton had written the following thoughts on his life: 23

I want to bask in the reflected glory of tremendous associates, because I'm the best I can be by surrounding myself with those who are better and more competent than I am. My job is to work myself out of a job...There are many new and difficult opportunities to be taken on by someone. And that someone could/should be me.

Despite his philosophizing in <u>Who's Who</u>, Tipton in June 1977 was criticized for not appearing to be a man hurrying to complete his mission and look for a new job. Tipton, notwithstanding the involvement of the taxpayer's money and Columbus' role in land acquisition and utility and street improvements in the project, insisted BCC "is not a public body...this, technically is a private company, even though it has a very public purpose..." While BCC board members were not paid, Tipton refused to disclose his salary which some believed between \$50,000 and \$60,000 yearly, plus a

<sup>23</sup> Columbus Dispatch, 19 June 1977.

pension plan, and automobile and expenses. Tipton would say

I had something to do with the creation of this idea. I believe I understand how it's supposed to work...I stand ready - not willingly and I wouldn't be happy about it - but I recognize that at any time the board can decide it wants something different, that it needs a different leader, and I could be sacked. I understand that.

While Tipton, one of three members BMI was authorized by the court to pick from its staff for the BCC board, was being subjected to increasing fire in the press, he remained in the good graces of the board members. Board members at the time had differing views on how good things could best be accomplished for Columbus, but restive as some of them were with BCC's so far unrealized promise, it didn't appear likely they would align to oust Tipton. Described as a man with unquestionable self-confidence, he allegedly regarded his critics' comments as petty carping. Under fire, he would give some ground though later saying to the press in his defense

I don't make the dates on this project. The board makes the dates. Everything I have done, I have done either at the direction of or with the approval of my board of trustees. I've done nothing independently. The whole intention of the operation is to construct the project and operate it and turn it over to the city as a gift. In our two years, we've consummated an arrangement with the city to develop financial plans. We've begun site preparation, and we're nearly finished. We have not been without a few problems along the way, but we are not going to be asking for a public subsidy to run these facilities — unlike any other center I know of.

One who had worked with center planning told the press Tipton had been

incredibly naive about some of the practical problems involved in doing a development. I don't think its because anyone is stupid or ignorant, but maybe they just haven't acquired the long-period-of-time expertise in the field. He and the other folks from Battelle are starting from scratch, trying to do a multi-million dollar development when they have never been actually in the business.

During June, city response also came. City Council President Portman stated "The thing has bugged me for six long years, because the city has a considerable investment in that project." The mayor, however being more charitable said publicly

It is just a process that is taking a considerably longer time than many people estimated. Many of our citizens have the idea that it is going to be the grandest convention center ever built in the history of the United States. The simple fact is that that is not going to be the case because there are not, certainly not on the part of the taxpaying public, sufficient dollar commitments to it. But, I will say that I wanted it yesterday, and the city needed it yesterday, and any obstacle to its completion should be removed.

As concerns the Venturi International puzzle, Tipton's response was that he and BCC agreed to loan Worsham \$1 million of which \$750,000 would be in advance to aid Worsham's promotion. 24 His public remarks were

<sup>&</sup>lt;sup>24</sup>Ibid.

It was a straight loan. The board recognized fully at the time it was made that if anything happened so that he failed to perform it would lose its money. That was not a secret. I would say the bulk of his money has been spent on things like architectural expenses for travel, legal fees and his payment to himself for his service.

Reportedly, however, when the BCC board requested an accounting of expenditures from Worsham, he documented \$175,000 for "office overhead." Worsham, who had been introduced to Tipton by one of the Patrick and Prindle architects in 1975, was chosen to develop the hotel after several other developers had been turned down.

Amidst the controversy, a Kansas City Councilman, who helped spur the redevelopment of Downtown Kansas City, visited Columbus. During the visit his view was the key to a bright future for downtown Columbus would be the convention center. The four-term city legislator urged Columbus officials, community leaders, and citizens to become involved in the Downtown area, when making the comments during a speech at the 39th anniversary gathering of Citizens Research, Inc. The group met at the Neil House and the lawmaker's topic was "The Downtown Neighborhood."

The civic body, like the human body, has many parts that perform many different functions. If

Columbus Citizen-Journal, 24 June 1977; and Columbus Dispatch, 23 June 1977.

those parts grow weak and rundown, or if they fail to function together smoothly and harmoniously, a city falls into poor health. This has happened, to some degree, in nearly all our big cities in the last few decades, but some have been quick enough to detect the symptons early and do something about it. My own town is one of the lucky ones, lucky in the sense of having leaders who could and would take action.

The Kansas City legislator said at a press conference prior to his speech, "the one building that will be a catalyst for downtown here is your convention center." "We had to dig that hole in Kansas City to convince people we were for real," referring to a \$30 million convention center that opened in the Missouri city in July 1976. He also said a convention center attracted the business "you'd otherwise be chasing." He further said an estimated \$600 million worth of downtown improvements had occurred in K\* sas City over the last eight years, and the bottom \$ \$70 in the downtown success story there was a strong working relationship between Kansas City government and the business community: "Government and the private sector must talk together, plan together, and work toward common goals." The legislator added leadership within a city should be a partnership between government and local businesses who shared common goals and interests. According to him, City officials and leaders in City had worked together business Kansas successfully during recent years to build new international airport, a sports comple: and a \$400 million housing and business development on the edge of the downtown district. The majority of projects undertaken by officials were approved by voters as civic improvements, but in some cases, the officials and business leaders had to gamble, he said, referring to the narrow margin by which a bond issue to build a new convention center had passed. He noted:

Some 14 months before the issue appeared at the polls, a dozen of our most involved businessmen advanced the city \$1.4 million out of their own architectural planning and pockets SO that engineering could begin at once. It was a gamble. If the voters approved the convention center, they would get their money back, and the city would save a lot of time and money in the race against inflation. If the vote went against the center, however, these gentlemen simply were out their \$1.4 million. Still the gamble had paid off, and the city had its center completed 18 months earlier than it would have been possible without front Some \$3.7 million the money. construction costs were saved, and \$26 million worth of conventions were booked in that would have gone elsewhere.

The legislator, who also was the president of the Missouri Municipal League, explained that officials also had undertaken a project aimed at increasing city pride in local citizens. The project, called "Frime Time," included a series of television commercials with a catchy jingle which identified Kansas City as a model city. The Kansas City official assured the audience

Pride, confidence and commitment are three fundamental requirements to develop a city. All of these requirements can be nurtured by a willingness on the part of the public sector to

work jointly with the private sector to achieve success. Both Kansas City and Columbus are fortunate in not being too big. Controlled, manageable growth is what we want today, not just growth for the sake of growth.

At the close of that luncheon, the chief executive of the Battelle Memorial Institute since 1968, was presented the Preston Davis Award for his outstanding civic contributions. Davis was one of three people who formed Citizens Research, Inc., in 1938. A charter of pride, confidence, and commitment had been laid out for the city, but July 1977, was to be a long hot month, especially for Clyde R. Tipton, Jr.

## The Seeds of Convergence.

On 1 July 1977, a small ten line article appeared in the Columbus <u>Citizen-Journal</u> reporting an unconfirmed report that John W. Wolfe, the Ohio Company Chairman had resigned from his position as a BCC board trustee. <sup>26</sup> Apparently a reservoir of grievances had built up. The qualifications, personality, and competence of Tipton would be called into question. BCC had not confirmed the report, and when Wolfe's secretary was contacted, she said Wolfe would not discuss the question and was on vacation. By Thursday, of that first week, BCC trustees had announced, though, they had accepted, "with reluctance" the resignation of board

<sup>26</sup> Columbus Citizen-Journal, 1 July 1977.

member John W. Wolfe. 27 As the information surfaced, it was revealed Wolfe tendered his resignation verbally at a trustees meeting on 21 June 1977, saying he had been dismayed by the lack of progress on construction of the center. Often as rancor ensues, participants in the controversy move from disagreement to antagonism in their responses to one another. The chairman of the Ohio Company said he quit because he had lost faith in the direction of BCC under its president, Clyde R. Tipton, Jr. Wolfe announced publicly he thought Tipton, who had been the director of the center's efforts since 1974, had been "at the most charitable, incompetent." Tipton, to this point in time, asserted he had worked completely at the direction of the board of trustees. A BCC board committee had been appointed to find a trustee to be elected at the next BCC meeting on July 20.

After Wolfe's resignation, BCC board chairman Heffner, commenting, said, "Life goes on" at Battelle Commons Company. 28 While Wolfe was still on vacation and not commenting nor issuing any statement, he was quoted at the end of the week as saying he resigned because of his dismay at the lack of progress by BCC. Heffner said "We accepted

<sup>&</sup>lt;sup>27</sup> Columbus Dispatch, 8 July 1977.

<sup>28</sup> Columbus Citizen-Journal, 19 July 1977.

the resignation in executive session Thursday," and "He (Wolfe) was invited to attend but didn't." "He's only one of nine members and our board is moving right away with our (convention center) objectives," Heffner said, adding the BCC board thanked Wolfe for his service. But Wolfe was not just "a member of the board." When respondents in my research were asked to define the structure of power in Columbus, all mentioned John W. Wolfe to be a very prominent member of that structure. To replace Wolfe on the board, a three-member search committee would be picked by the BCC board at its 20 July meeting. Tipton, now sublimely announced convention center hotel developer Earl Worsham was in Columbus that week and was "very optimistic" about nailing down financing for the planned 14-story Hyatt Hotel before an early August deadline.

At the beginning of the second week in July, Wolfe added a note of clarity to the situation, when he informed the press his resignation was intended to shed some light on BCC management problems. 29 For one, he suggested that financing the \$32 million hotel for the proposed convention center should not be difficult. The Atlanta-based developer whom Tipton contracted had so far been unable to pin down major backing - \$27 million - for the hotel, with his

<sup>29</sup> Columbus Citizen-Journal, 12 July 1977.

agreement with BCC to expire in a month. Wolfe said, "I don't know what could be the holdup on financing. certain conditions, this should be an easy project." Worsham had been aided by Brooks Harvey mortgage bankers in searching for funds since Dollar Savings and Loan of Columbus and other firms withdrew their support in May. While not commenting on whether he was unhappy that local money hadn't been secured for the convention center, Wolfe felt "ordinarily" getting funds for the project should be relatively simple. Concerning his resignation, he said, "I should hope the fact someone intimate with the situation is dissatisfied will cause people to reevaluate" convention center planning. He said his goal was to move the project forward, and stated BCC had no formal agreement with Hyatt Hotel Corporation to manage the proposed convention center hotel. Hyatt officials had said in June they had a signed contract with Worsham. He noted at the time

The board hadn't approved Hyatt up until the time I resigned. It should be in the (board) minutes that we leaned toward Hilton to the extent we let Worsham talk to them on the kitchen in the convention center.

Worsham on the other hand insisted, "there is an executed contract with Hyatt," between the hotel and his company, Tensor, Inc. He said he anticipated no trouble in getting BCC to approve it. Worsham, observing "no project of this magnitude is simple, I think our negotiations on financing

are to the point BCC will be satisfied on August 8 that the project will come together." Meanwhile, Wolfe repeated earlier criticism of Clyde R. Tipton, Jr., BCC president. He said he quit to point up Tipton's lack of progress and would not answer whether firing Tipton would have been enough to keep him on the board. Wolfe added, "I asked about timing difficulties" in making sure the separate parts of the project were ready at about the same time. "I never saw a flow chart or had a satisfactory answer." "Tipton talked about a marketing report I have never seen," Wolfe asserted, adding exhibition space for the convention center had been reduced from about 150,000 square feet approximately 65,000 square feet. Wolfe also felt BCC may be making a mistake in aiming at smaller, local gatherings, instead of larger organization exhibitors. He questioned whether smaller conventions would generate enough spending to support the envisioned 14-story, 700-room hotel.

Meanwhile, Tipton could not be reached for comment. 30 However, BCC vice president Richard Lasko's response was that charts on the convention center had been presented to the board "about every two or three months." Lasko also said Tipton would present a new chart at the 20 July, BCC board meeting. Lasko finally noted a market study was done

<sup>30</sup> Ibid.

in 1974 by the Convention Center Commission, the forerunner to BCC, and redone for Battelle in 1975. He said it was aimed at the majority of conventions in the Ohio, Indiana, Kentucky, West Virginia, and western Pennsylvania region.

Wolfe, whose family also owned the Neil House Hotel, said what Tipton was projecting was contrary to experience with that hotel over the last six or seven years. 31 He stressed:

I personally have lost belief in (BCC's) management credibility. Not getting a project of this kind done as soon as possible retarded the redevelopment of downtown Columbus. Construction costs have gone up 25 per cent in the 30 months we haven't built. I don't know if I've been misled (as a board member) but like so many things up there, I couldn't get answers.

In a rejoinder to Wolfe's lambasting of BCC management, board chairman Heffner said any problems concerning the proposed convention center 32

will be solved in a constructive, rather than a critical manner. I believe we are making substantial progress toward completion of the Ohio Center. With a project as ambitious as the Ohio Center, it is inevitable there will be certain problems. But we feel we've come a long way toward giving Central Ohioans one of the best centers of its kind in the country and problems will be solved as they arise so...the center will be opened as scheduled in early 1980.

<sup>31</sup> Ibid.

<sup>32</sup> Columbus Citizen-Journal, 13 July 1977.

Heffner's view was that completing details for a project of the magnitude of the planned \$80 million exhibition center was complex and tedious. But Wolfe, chairman of the Ohio Company contended the stalled financing for the \$32 million, 14-story, 700-room hotel should not be as difficult to arrange as was being made out. During the contentiousness, however, Tipton remained reserved taking the position that

My own feeling is it is better to let the chairman of the board say what needs to be said. I don't feel like getting into an argument with a man over his opinion.

The official city response came from City Council President M. D. Portman who expressed hope BCC would fill Wolfe's place on the board with a representative of the city. Thus, restructuring and trust were also surfacing as problems, as he pointed out, the city has "well over \$6 million" invested in the project already through acquisition of the Union Station site and construction of a temporary rail station. And according to the financial agreement between the city and BCC, tax fund investment would total \$37 million to \$50 million by the project's end. Portman said further, "I think if we have such a substantial investment, we should have some representation on the board."

<sup>33</sup> Ibid.

with regard to the hotel, Heffner explained trustees unanimously approved hiring Tensor, Inc., the Atlanta-based development firm, to design and build the hotel. Hensor was charged with arranging financing as part of the contract, but had been unsuccessful to date. The board agreed, however, Tensor would be given until 5 August, before alternatives were considered. The BCC board chairman noted:

The board expressed serious concern in the last few months that Tensor was not succeeding in its efforts to arrange financing. (But) I feel any criticism of BCC or Tensor is premature at this time. not feel Tensor's I đo unsuccessful efforts arrange favorable to financing reflect on BCC's board or management because first, we have not heard the firm's final report and won't until 5 August, and second, Tensor has faced along with other developers, a difficult economic climate nationally during the last year.

In outlining his view of progress on the center since BCC began operating with the \$35 million endowment from BMI in 1975, Heffner stated:

We entered into an agreement with the city last year which will result in \$75-\$80 million in construction for the center, with BCC providing \$35 million in improvements and another \$28 million in private development construction by the end of 1978. The agreement also will result in the city providing \$13.4 million in new construction. In addition, we retained a leasing agent to secure retail development for the center, and to date, some 20 letters of intent have been

<sup>34</sup> Ibid.

signed by retailers desiring to open shops in the retail area. Finally, site preparation has proceeded to the point the first step toward completing Phase I began last month with contract signing for the \$2.7 million High Street/Third Street connector (a new divided road that will bisect the center).

Later that day, speaking by phone from Knoxville, Tenn, where he was to make a speech, Heffner referred to the stalled efforts to build the center under the old Ohio Center Authority, a public agency, saying "I think we've come a hell of a long way, compared to the five years that went before us. Both Tipton and Heffner still sat on the now eight-man board. When the press made attempts to call two other trustees, the executive vice president of the F&R Lazarus Company, and the executive director of the Ft. Hayes Career Center, they both referred the calls to Tipton, with the latter remarking, "I think all parties in these cases have to speak for themselves." Efforts to reach other board members were unsuccessful.

With Wolfe off the board, another voice in the community began to question not only Battelle's accountability, but the city's lack of oversight in the project. 35

The city should immediately move to see it is represented on the Battelle Commons Company board. Something is going wrong with plans to complete

<sup>35</sup> Columbus Citizen-Journal, 13 July 1977.

the proposed downtown convention center, and the city should see that its investment - already estimated at \$40 million - is protected. The resignation of John W. Wolfe from the BCC board is a signal something has gone sour. Wolfe, charging that the financing of the center's hotel should have been completed by now, said he hoped his resignation "will cause people to reevaluate" present convention center planning. No doubt Wolfe was referring to the other members of the board, but the city had better be on notice that its own interests in the project may be endangered by the lack of progress. Under its lease agreement with the city, BCC is committed to have under contract or construction at least \$35 million in convention center facilities by June 30, 1979. Until that date, the company can do pretty much as pleases without city interference. Columbus has already spent or committed money to purchase the land, construct a temporary train station and provide site improvements at a cost of between \$37 million to \$52 million. In addition, the planning for I-670 swings on completion of the center, as does much of the continuing development of the downtown area. Aside from seeking a seat on the board, the city should also press to find out why construction of the convention center itself has not begun. Without city representation on the board, Columbus is likely to remain in the dark about conditions at BCC which directly influence its future. Right now, the city is at the mercy of board decisions and has no leverage to push for changes in the convention center's direction.

An official response also came from the Ohio Attorney General's office, which indicated that if there were problems with BCC, it wanted to know about them. <sup>36</sup> Attorney General William J. Brown said he "worked five years on the lawsuit," which set the \$37 figure BMI had to contribute to

<sup>36</sup> Columbus Citiz:n-Journal, 14 July 1977.

the project. "I don't want to see this go down the drain, Brown said he didn't plan to investigate BCC merely to make some telephone calls, "to see what's going on. " Brown said "that's drastic when a guy like that (Wolfe) resigns from the board." "If anybody knows anything about finance, Wolfe does. During the fracas one of the terms of the agreement that surfaced was that BCC's millions would not revert to BMI if the center wasn't built, according to Probate Court Judge Richard B. Metcalf, who had first forced Metcalf said, "I don't think the litigation in 1969. there's any question the money must go for a convention center," whether it is constructed by BCC or someone else. The judge added, BCC could turn the funds over to the city, "as they were encouraged to do initially." "I don't know if it's gone on long enough to warrant action by the attorney general." Metcalf said that eight years ago his court told Battelle that it was failing to meet the provisions of the trust and that they should distribute stockpiled money to charities over the next six years. During the six years following the warming, Metcalf said Battelle lost about \$50 million in taxes and lost another \$100 million in the stock market. He said the tax payments could have been avoided if the money had been distributed to charities. Instead of losing the money in the stock market and giving it to Uncle Sam they could have built the convention center years ago

and would not have needed government participation, the judge added. He also made the point that the money being used for the convention center were public funds:

It's not their funds. Battelle funds (being used for the center) are public funds the same as United Appeal funds. That's the way the trust is set up. If BCC fails in its goal of building a convention center, the \$37 million from the Battelle Trust allocated for the project would not revert back to Battelle operations.

Columbus City Council President, M. D. Portman's response was that he intended to introduce a resolution at . the next session of council urging a public official be named to the BCC board. 37 And according to Portman, Mayor Tom Moody did not object to the proposal. In consonance with Portman, a councilman feeling "things have been more difficult than (Clyde) Tipton thought last year," said an elected official on the board would be a good liaison. hadn't lost faith in BCC, but asserted financing for the proposed \$32 million convention center hotel should be in shape by mid-August. "If it's not certain by Labor Day, I think we'll see some delays that haven't been anticipated," he speculated. Council would have to see what could be done to encourage the project if hotel financing wasn't definite by then, he said. He added, "It's not a bad money market right now. If something doesn't happen soon, it could be an

<sup>37&</sup>lt;sub>Ibid</sub>.

indication that something is wrong." To sum up the situation, a local press editorial that week stated 38

But something cannot be permitted to go wrong. Fruition of the Convention Center is far too important to the well-being of the Greater Columbus area and its anticipating citizenry. That citizenry has every right to expect not only visible action but a more vigorous and imaginative management in this vital development.

As the controversy lumbered into its third week, Frank Wobst, president of the Huntington National Bank, was elected to fill the vacancy created by John W. Wolfe's resignation. 39 Wobst, in addition to being president and chief executive officer of Huntington, was also a director of the bank and executive vice president and a director of Huntington Bancshares, Inc. Wobst, also chairman of the Development Advisory Council of the State of Ohio and a member of the boards of the Columbus Area Chamber of Commerce, Children's Hospital, Columbus School for Girls, and the Columbus Foundation said upon his appointment, "from the outside" it appeared the "major stumbling block is in the area of finances, and "I hope I can be of a little help." Wobst commented further, "We (Columbus) sometimes underestimate our own strength... I think we ought to take more advantage of our potential." Wobst saw a need for

<sup>38</sup> Columbus Dispatch, 17 July 1977.

<sup>39</sup> Columbus Dispatch, 17 July 1977.

continued planned growth, creation of more industrial and "high-technology jobs," and closer ties between the city and University. Besides realization of State convention center, other keys to development over the next decade would be expansion of Port Columbus, growth of Capitol Square South, and construction of certain highway projects, which would be important for downtown and the Columbus area over the next 10 to 15 years Wobst noted. Wobst was "objectively optimistic" about the future of the saying, "The convention center is an exciting project...I'm quite pleased they (BCC) asked me. " BCC board chairman, G. C. Heffner, who announced the election of Wobst, described Wobst as "a terrific, dynamic banker." "His interest in the community to see we work collectively to get this job done is very important," Heffner said. He said the board discussed "8 or 10" prospective candidates for the position but Wobst "kept surfacing as the best person with financial expertise and community orientation." Heffner said, Wobst's election should not prevent the Huntington from becoming involved - if it so decides - as a lender on the planned convention center hotel, whose developer was still searching for major funding. For his part, Wobst said he would be "very careful not to put himself in a position of conflict of interest." He said there were "no specific proposals involving the Huntington now," but he did not rule

out the possibility the bank would become involved. However, his place on the board might make participation by Huntington less likely than otherwise. He cited the possibility of joint financing by several Columbus financial institutions. The new banker's views were not dissonant with other leaders in Columbus.

Clyde R. Tipton, Jr., called Wobst "a super person." "And as a professional businessman, he gives the board an added, solid dimension of someone who understands finance," Tipton said. 40 When Wolfe quit, BCC officers said they would try to find someone of his business and civic stature for the board. Of Wobst, Tipton said, "If he isn't perfect (as a replacement), he's awfully close to it." "It's fair to say he certainly is an outstanding representative of the financial community and he has community development at heart." Tipton called Wobst "downtown minded," and noted the Huntington president asked for a briefing on BCC plans when they were first formulated two years ago. Wobst's election wasn't done at a regular board meeting but by contacting each of the other eight trustees in person according to Tipton. The BCC president said that to his knowledge, Wobst was the first choice to fill the vacant seat.

<sup>40</sup> Columbus Citizen-Journal, 18 July 1977.

In a related move and during the previous week, Columbus city officials suggested the new board member be an elected office holder, since public land, money, and tax abatement were involved in the convention center complex. 41 In an apparent compromise move, the BCC board had later sent letters to Mayor Tom Moody and Council President M. D. Portman inviting them to send a representative to all future BCC board meetings. 42 The board proposed the representatives could speak but not vote as did trustees. Tipton said, "The vote in and of itself is not significant thing, but opening a fall channel communications." Moody subsequently decided to designate his executive assistant as the city administration's representative. The Council voted to designate Portman as its representative to the BCC meetings. Portman who introduced the resolution calling for public representation on BCC's board said BCC's proposal showed the company was receptive, and a non-voting representative was better than none. The city representatives would be free to comment but would serve as ex-officio, nonvoting members. explained, "We want to close any kind of communication gap if ever one existed." Opposition, though, came quickly from

<sup>41</sup> Columbus Citizen-Journal, 14 July 1977.

<sup>42</sup> Columbus Dispatch, 17 July 1977.

the press, in that "half a loaf is still half a loaf." The feeling was the city should use whatever opportunity arose to see it got a vote on the BCC board since the convention center was by no means a free ride for the city and it should have a vote in decisions regarding the project. Meanwhile, BCC still held closed meetings.

Following the new appoints, administration and city council representatives attended their first meetings of the under-fire BCC board and raised no objection when BCC board chairman Chester Heffner dubbed it an "executive session" and closed the doors to the public. 44 A highly influential person as well as a BCC attorney, told reporters he asked for the private session so he and his clients could discuss freely various legal problems involving the board and its commitment to build the long-delayed center. The meeting adjourned after two and a half hours without any public portion despite the board's adoption of a resolution bearing on a sports arena proposal, however. Heffner acknowledged one of the topics covered was the 5 August expiration of the contract with the Atlanta developer who continued attempts to raise money for the hotel to be constructed adjacent to the unbuilt center. In that meeting, press representatives

<sup>43</sup> Columbus Citizen-Journal, 19 July 1977.

<sup>44</sup> Columbus Dispatch, 20 July 1977, and 21 July 1977.

were told that board members were given a "history" of BCC activities during the past year - but they were asked to return their copies to BCC president Tipton before leaving. Mayor Moody's executive assistant, attended but said he could not comment on the executive session because of the "delicate nature of the matters under discussion." Council President M. D. Portman also representing the city, agreed that the discussion of the contracts and legal negotiations during the BCC meeting were properly done behind closed doors but said there should be few more executive sessions. In that meeting, the board adopted a resolution stating that land was available - possibly northwest of the proposed center building - for a sports arena and pledged to cooperate with anyone conducting studies for the site. Heffner denied that the adoption of the sports arena resolution was a ploy to take the heat off the board which had been under heavy criticism for the many delays in the center's construction. Tipton said drawings specifications for the center "hopefully" would be ready 15 September, and bids could be taken shortly thereafter. Heffner added, "We're moving as fast as we can. This is a community effort." He announced also, that the next meeting of the board, with the hotel developer, would be an executive session.

For whatever reason, the sports arena issue did arise again in July 1977. 45 After all, ten days after the special election on 2 November 1971, the Franklin County Board of Elections had certified that Columbus voters had approved a \$6 million bond issue to buy and prepare land "..facilities for mass transit, parking, an assembly and exhibition hall complex, a sports arena and for other related...uses..." And some interests in the city felt Columbus apparently still owed its citizens a sports arena. Objectives in urban planning constantly shift or are redefined, since somewhere between the creation of the two public commissions to carry out the voter mandate and the signing of the agreement between the city and Battelle Commons which made the latter the prime mover in building the center, the proposal for the sports arena disappeared. With the renewed interest in an indoor sports arena, the mayor and City Council had one question to answer: Was the city committed to construction of a sports arena somewhere on the grounds of the convention center site?

What was happening? Importantly, there was the question whether a proposal for a \$29.5 million indoor sports arena bond issue should be placed on the upcoming November ballot for Columbus voters. What was at issue was

<sup>45</sup> Columbus Citizen-Journal, 18 July 1977.

the intricacies of the election process. 46 State law required City Council to file a resolution of bond issue approval 110 days before Election Day. The deadline would occur on Wednesday, 20 July 1977. Although Columbus had approved the \$6 million bond issue, to in part develop the sports arena, and Columbus perhaps remained committed to at least the idea, opposing interests cited several compelling reasons to keep the bond issue off the ballot:

- . An absence of studies, and hence essential information, into such project's feasibility, marketability, acceptable location, and designation of a proper operator;
- . whether such a proposal should not go before the entire electorate of Franklin County and not just those in the city of Columbus;
- . Even without a City Council resolution, the arena proposal could appear on the November ballot; unfortunately though, the results would amount to little more than an opinion poll and lack the full force of voter mandate; and
- . the Columbus electorate would be passing judgment on a highly essential matter the \$117.9 million bond issue for a trash-fired electric generating plant.

<sup>46</sup> Columbus Dispatch, 18 July 1977.

City officials often have available numerous ploys to convince others that the dramatized problem is being attended to.

Upon voting, though, Council decided there would be no vote in November on a proposed property tax-supported \$29.5 million bond issue for the indoor sports arena. 47 Council voted 5-2 against the resolution calling for the By failing to act, the city missed the deadline imposed by state bonding laws. Thus, the City would have no authority to issue bonds, even if an election was held. the same time, however, Council voted 7-0 for another bill expressing intent of the city to do a feasibility study for a sports arena. The Columbus Development Department would do the study, and would have it back in Council's hands no later than 1 August 1977. As a consequence of its actions Council now had to decide how to handle the initiative petitions gathered by Educational Resources, since those petitions called for a vote in November. Council could, and probably would use a loophole in city charter law to avoid a meaningless election that fall. While the charter specified Council automatically must place an issue on the ballot under initiative petitions if it failed to act or rejected the mandate of the initiative, the charter was silent

<sup>47</sup> Columbus Citizen-Journal, 21 July 1977.

regarding what happened if Council approved it. Thus, Council could adopt a resolution for a bond issue, and then fail to take the subsequent required steps for ballot placement. In the meantime, a councilperson wrote the city attorney requesting he study charter language on bond issues to see if it was necessary to seek charter revision. In another, but related development, the Ohio Secretary of State had issued a charter to Fans for an Indoor Sports Arena, Inc. The articles of incorporation indicated the corporation was formed to "investigate the feasibility and desirability of the construction of an indoor sport arena in Franklin County..."

After Council rejected the arena bond proposal, an Indianapolis local government official revealed building an indoor sports arena without a commitment from a sports franchise "is a little risky." "You need a commitment from a sports franchise. There has to be a guarantee of some revenue to begin with," said the administrator of property management, Department of Public Works for Indianapolis-Marion County unified government. Commenting on the 17,600-seat Market Square Arena built in Indianapolis, he said before that arena was constructed, local government there had written commitments from the Indiana Pacers of the

<sup>48</sup> Columbus Citizen-Journal, 22 July 1977.

defunct American Basketball Association (ABA) and the then disbanded Racers of the World Hockey Association (WHA) to However, the recent folding of the Racers had forced the arena management to search for ways to fill an estimated 40 "open" dates on the 1977-78 arena calendar. Interest in the Indianapolis situation was whetted by happenings in Columbus where Educational Resources had recently made a strong, if apparently unsuccessful, effort to put a proposed \$25.9 million sports arena question on the November ballot. City Council rejected placing the bond issue on the November ballot, although there was still possible an opinion poll type issue before the voters that fall, depending on how Council handled the initiative Indianapolis' unified government completed its petitions. \$24 million Market Square arena in September, 1974. And it had been doing well, according to the official. He cited the fact that the private firm which administered the arena-Market Square Associate-last year paid to the local government not only the standard fixed leasing fee of \$510,000-but an additional \$37,000 as well. The additional funds were paid out because the contract the unified government had with Market Square dictated that if the firm took in more than \$1 million in general revenue over a year's operation, the local government would percentage of the amount over \$1 mill in. All funds that Indianapolis-Marion County would get from the management firm were used to retire the 40-year debt on the facility. The arena probably wouldn't do as well that year with the loss to the hockey team. The official believed cities such as Columbus should refrain from getting directly involved in the management of a sports arena. He suggested farming the management of the arena out to private enterprise, and was also strong on the notion that a city should test public support for the arena. In Indianapolis, unified government hired a private consulting firm to do a sampling of citizens to learn to what extent they would support the arena through attendance at sporting events. Columbus Council had asked, and the Development Department would do a feasibility study on a proposed sports arena.

The Columbus Development Department followed through by recommending the city hire an outside consultant to study the feasibility of the indoor sports arena and estimated the cost could range from \$35,000 to \$75,000. 49 The department also recommended a nine-member task force be approved by the three levels of government - state, county, and city - to conduct interviews and select a consultant to complete the study within 90 to 120 days. The nine-member task force would later make a recommendation to the city on the

<sup>49</sup> Columbus Citizen-Journal, 29 July 1977.

advisability of pursuing an indoor arena after the consultant completed its work. The department also recommended the city use revenue sharing funds to finance the work of the consultant to do the following:

-Determine market potential for an indoor arena for Columbus and Central Ohio.

-Determine financial feasibility of constructing an arena.

-Determine costs and benefits of an indoor arena.

-Illustrate alternative forms of arena management.

Council indicated it wanted the study completed by late 1977, with one councilman making it clear he would push for a June 1978, vote on the indoor arena.

With the sports arena controversy in the air, also in the month of July, it was revealed that remnants of the "Great Arch" may have found a home. 50 Local historic preservation enthusiasts announced work on a new .70 acre "Arch Park" was slated to begin in Autumn 1977 and would give Columbus a distinctive Downtown landmark. The park, bounded by the new Marconi-Front connector on the north, Ludlow Street on the east, Hickory Street on the south, and Marconi Boulevard on the west, was being donated to the city by Columbus and Southern Ohio Electric Company. Preliminary

<sup>50</sup> Columbus Dispatch, 22 July 1977.

architectural sketches showed that the historic 19th century Union Station arch would be re-erected in the eastern part of the park and would serve as the backdrop to a stage. ampitheater would be constructed west of the arch. An official of Citizens for the Union Station Arch (CUSA) told the press the foundation for the giant arch would be poured in the fall. Meanwhile, CUSA would continue to raise money for the arch's re-erection during the winter and planned to begin putting it up in the spring. Roughly half of the \$100,000 needed to do the job had been raised so far, CUSA members said. In addition to the park being completely different, it was explained the arch would be placed in such a way that it would frame the convention center. Persons attending concerts and other functions in the park would look through the arch and see the convention center. It was also emphasized that construction of Arch Park would give the Downtown three very manageable, intimate parks; the city was planning a .90 acre portal park at Naghten and High Streets, and Nationwide Insurance Companies planned decorate the new Nationwide Plaza with a park. Nationwide park was to be highlighted with green space and a man-made stream, and the portal park was planned to contain a live wild animal such as a lion, tiger, or bear. variety of commitments can sometimes divert the citizen's focus away from controversy; perhaps so, but not for long.

In July-August, 1977 The Dispatch, which had long favored and supported the project, ran a series of detailed articles on convention centers in several other major Midwestern cities. 51 The centers in these cities had been completed or were in the construction stage. All of the cities had had good results, although they had difficulties along the way. With construction expected to begin on the Columbus center in late 1977, the articles were to be meaningful. The cities studied were Louisville, Kentucky; Cincinnati, Ohio; Pittsburgh, Pennsylvania; Indianapolis, Indiana; St. Louis, Missouri; and Kansas City, Missouri. Experts and convention center consultants in those cities viewed Ohio Center's financing with envy, its construction delays with amazement, and its size with scorn. And in a summary article the Dispatch criticized Columbus and Tipton's efforts accordingly. First, the charge was that plans for a maximum 90,000 square feet of exhibit space represented a considerable reduction from earlier plans and disregarded consultants advice. The old Convention Center Building Commission had planned originally an unbroken exhibit area of 158,000 square feet. And in September 1975, Booz, Allen, and Hamilton had recommended if Columbus was to compete successfully with U. S. cities of a similar size, it

<sup>51</sup> Columbus Dispatch, 7 August 1977.

should have a minimum 100,000 square feet. Also deprecated was the center's costs as associated with its exhibit space area. A summary of the square footage of unbroken exhibit space and the costs in the six cities was as follows:

- . Cincinnati (opened 1966); 95,000 square feet, \$10 million
- . Indianapolis (opened May 1972); 124,000 square feet, \$26 million
- . Kansas City (opened September 1976); 180,000 square feet, \$37 million
- .Louisville (opened March 1977); 100,000 square feet, \$20 million
- .Pittsburgh (ground broken June 1977-completed late 1979); 137,000 square feet, \$24 million.
- . St. Louis (opened July 1977); 240,000 square feet, \$36.2 million

All of the cities also had major sports facilities in varying proximity to their centers, political difficulties in getting the centers built and convention developers and managers that worked already with their convention bureaus.

As the first week of August 1977 ended the BCC "balance sheet, which covered the period between 31 May 1976 and 30 June 1977 was scrutinized. 52 Salaries and wages for the BCC staff for fiscal year 1977 amounted to \$197,000. Office expenses were \$25,800, with travel and business expenses at \$10,000. With memberships and subscriptions

<sup>52</sup> Columbus Citizen-Journal, 2 August 1977.

summed at \$4,000 - the total was \$236,800. Other expenditures for fiscal 1977 included \$60,000, legal fees; \$7,500, audit and accounting; \$18,500, communications; \$15,000, special consultants; \$15,000, publications; and \$30,000, retail consultants - a total in these categories of \$146,000. Also between May 1976 and 30 June 1977, architectural and development costs had risen from \$1.7 million to \$1.9 million.

As the fall of 1977 arrived, Tipton appeared under siege. There were some in the community criticizing him and BCC about the center's size. One who had his hand in convention center development informed the writer

A convention center is a nebulous term. What you have to look at is facilities, and that incorporates more than just exhibit hall floor. The exhibit hall is less than half of what it started out to be. It started out to be 150,000 square feet, and the exhibit hall per se is 64,000 roughly. there is a ballroom adjacent to it that has 30,000 square feet...I've never been able to determine how to combine the use of a ballroom and an exhibit hall and have a dance while you have all those booths in there. I guess maybe I don't understand that. Battelle's smarter than I am.

But on the other hand, one who was also involved suggested to the writer

the size of that facility does not alone determine how we can reach that market. If that facility were large enought to house the largest convention ever held in the United States, it would not guarantee that market. Because the things that bring the conventions are more than the meeting place. There are first and foremost the number of hotel rooms. There are not enough hotel rooms in

the city of Columbus to reach those largest conventions...basic requirements (for large conventions) are 5,000 first class rooms within walking distance of the convention center. We can't begin to touch that. That's why we need more hotels. That's why we will shortly get more hotels.

Perhaps, as concerning size, a view from a high ranking city planning administrator provided a most plausible view of the future:

When there is a recognizable market for the larger conventions in Columbus, we'll add on to the building. We'll do something. We simply are not in that league right now, and there is going to be a number of years before we get there. We don't have the hotel rooms to support that league. There are many other things that we lack. But putting the prime attention to a quality center designed as a rational response to the kinds of conventions we can not attract...I think is the correct way to go. I'm really on both sides. I think we need a larger facility, but I don't think we need it yet. When we do need it, we'll get it.

Tipton was also being accused for causing the delays.

But in defense of his efforts, one who was very closely involved in all Downtown redevelopments told the writer

This is totally understandable... If (you were put) on the convention center commission, you would fumble and fool around for a year or two, and you better anything out of expect departments or executives, or out of a union leader, or out of a politician. They have to fumble, fool around a little, while they're gathering their facts. And you don't build convention centers every day. There are a hundred people in this town to whom I could turn and say build me a house, and I know that the house would be livable. But there's no one person in this town whom you could turn to and say build me a convention center, and know that you would have a convention center that would attract from the

existing national and international market, that would be maintainable at a decent level of expense, that would be aesthetically satisfactory to the community and so on down the line. So whenever you have a committee, you have delays, you have charges, you have counter charges, you have regrets and it is inevitable... And every corporation has it. The difference is when GM decides to build a Corvette or decides to take a Corvair off che market, they're not under the public scrutiny in their board meeting. When the city of Columbus decides to build a convention center or something of that sort they are. the process of consensus takes time. Anything (that) takes time draws criticism because of possible collusion they've made up their minds before the public had a chance to input. But to anybody who is an observer of the human condition these things are all totally predictable. totally predictable. And not only in Columbus, not only inside the state of Ohio, but anybody, anyplace in the world.

As the furor continued in Columbus in August, the development director in a speech before the Columbus Rotary had something to say about another matter. <sup>53</sup> Speaking to the club about the state of Downtown redevelopment, he was somewhat disappointed in the progress of the convention center being carried out by the "quasi public" Battelle Commons. And while he was not gravely concerned, he felt

It's important to the community we solve the perplexing rumors around BCC. I suspect it appears more confusing than it really is because of the private negotiations. Why not invite the public in?

<sup>53</sup> Columbus Citizen-Journal, 2 August 1977.

## Summary

As a point of significance, by the fall of 1977, various forces in the community had converged on Battelle Commons' activities in its attempts to implement the center's construction. Between February and August 1977, President Tipton was continually "crisis-hopping" response to rancorous controversies generated by various interests in reaction to various proposals and changes which he had formulated. To the uncritical eye, controversies concerning his personality, competence, handling of hotel finances, disputes with city bureaucracy, the sports arena, and construction delays had placed him on the spot. August arrived, a fusillade of complaints lay at the door of BCC's corporate offices. Indeed, before the month would end, President Tipton would be in an even more protracted stage of crisis decision. The controversies would not go away, public pronouncements would not work -- It can be speculated he would work around the clock to formulate responses to situations which were no longer routine. To be sure though, it might be that President Tipton, while the center of controversy, was not the main issue. For Columbus at this time wasn't yet ready to build a convention center, let alone a hotel. For one thing, there was too much conflict over a means-ends relationship.

Significantly, policy statements that are approved have two facets. There is a general goal, such as "We will build a convention center to revitalize the community." And there are specific means to achieve the goal, such as establishing BCC to finance and control construction of the center. On the general dimension, there was agreement. On the specific, there was controversy. For some alternatives receive temporary legitimation only to be deleted sometime afterwards. That Battelle would finance the center's construction was a given. That BCC and Tipton would develop it was not. The nature and character of the implementing agency was called into question.

What Columbus teaches us is that policy making is continuous. One could have assumed that after acceptance of the Battelle alternate, the center would have arisen shortly thereafter. On the other hand formulation and legitimation activities continued.

## Chapter Six

THE NEW CONVERGENCE OF POWER: THE OHIO CENTER RISES

Obviously the passion for power is one of the most moving passions that exists in man. All democracies are based on the proposition that power is very dangerous, and that it's extremely important not to let any one man or any one small group have too much power for too long a time.

Aldous Huxlev

## The Modification of a Basic Proposal

Amidst a sea of concerns, Clyde Tipton, Jr., in the first week in August 1977, would make a reassuring but symbolic expression of commitment. With Tensor, Inc.'s deadline nearing, he announced the proposed convention center should be under construction by mid to late October 1977 whether or not plans for construction of a hotel on the site were complete. While seemingly committed to the position earlier that both the center and hotel would be started together, he would now say, "We're not necessarily convinced that construction on the center and hotel start at the same time...they do have to finish together," so the hotel will not stand empty while the center is completed or vice versa. However, it was his view, it would take longer

<sup>1</sup> Columbus Dispatch, 3 August 1977.

to build the center than the hotel which was to be managed by the Hyatt Corporation.

The key problem was hotel financing, and whether BCC would get funding for the hotel was still up in the air. But officials seemed prepared to proceed with the convention center itself. Tipton said all drawings for the center on the site of former Union Station should be done September 15. He anticipated it would take four to five more weeks to let bids before workers actually broke ground. BCC and Columbus officials were to meet that coming Friday in the office of Columbus' service director to discuss the time schedule for the center. The mayor's executive assistant and representative to BCC, said, "It's just a good idea to keep everybody on base" since the city will be working on roads as the center is built.

With Worsham's deadline pending, Tipton said he didn't know what funding proposal Tensor, Inc. would present to the board. Worsham had until the close of business Friday to fulfill his contract with BCC. Tipton, however, doubted the board would retain Worsham if he didn't come up with a good proposal by Friday. "I'm only one guy on an eight-member board" he said, but "the board is very serious"

about Worsham's deadline. The BCC board was to meet in closed session at 10 a.m. Saturday at Nationwide Insurance's Training Center, to examine Worsham's plans.

Meanwhile, that same day it was announced that Equitable Life Assurance Society of New York had apparently offered to help finance the hotel's development. 2 But whether the offer would be enough would be decided in the Saturday meeting. Referring to the Atlanta developer, an Equitable vice president said he also believed Equitable agreed to lend more than \$20 million for the hotel, but he did not have the details of the proposal. Dollar Savings and Loan and 12 other associations were to put up \$27 million for the \$32 million project, but withdrew in May. The insurance officer earlier reported Worsham was "still considering" Equitable's offer, but acceptance of proposal might involve additional negotiations by both sides. Worsham, who was vacationing in Florida was to meet with BCC officials Friday. If Worsham's financial package was not acceptable, board members had said they would face the alternatives of finding a new developer or putting additional BCC money into the hotel. Tipton said he did not think Worsham would be retained past Friday if the hotel plan wasn't approved by the board. Hyatt Hotel Corporation

<sup>&</sup>lt;sup>2</sup> Columbus Citizen-Journal, 3 August 1977.

had an agreement with Worsham to operate the convention center hotel. And in comment, a Hyatt executive, said, "We think there is a great opportunity for this hotel" However, if Worsham's plan fails, Hyatt would probably have to start from scratch to get the management contract.

Amidst the uncertainty was the clamor of the wrecking crane. The 90-foot-tall smokestack of the Union Station powerhouse tumbled down in the first week of August. The fall of the stack meant the station site was virtually level for the eventual construction of the convention center.

As activity hastened and on Worsham's day of reckoning, on 5 August, an Equitable official announced Equitable Life Assurance Society of New York had offered no money to help build the Columbus Convention Center hotel. 4 Published reports that Equitable had agreed to lend more than \$20 million for the hotel were false, the Equitable vice president, announced on Thursday. However, the firm was interested in the project and had offered to consider a loan application from the developer, but no application had been submitted. If one were received, it could be rejected for any number of reasons, he remarked. The BCC board must decide, based on Worsham's proposal - or lack of one -

Columbus Dispatch, 3 August 1977

<sup>4</sup> Columbus Dispatch, 5 August 1977.

whether to continue his contract. Meanwhile, Tipton claimed he didn't know if there was any agreement between Tensor, Inc., and Equitable, saying he (BCC) wasn't involved in any financial negotiations and that Worsham hadn't informed him of any such agreement. Although Equitable had not offered to lend money for the hotel, the firm was interested in the project, the vice president saying "We have helped finance other Hyatt Hotels." "You might say we're high on Hyatt." The official announced Equitable had contacted Brooks Harvey and Company, Inc., the firm of mortgage bankers Worsham was using to find financing. "Based on what we know about the project, we said we would consider a loan request for up to \$22 million." he said.

Concerning another matter, that Friday, 5 August 1977, BCC's disagreement with city officials became fully apparent. 5 In the meeting, in his office, the Columbus service director told BCC officials the city had been falsely accused of delaying part of the convention center project. Meeting with city, BCC, Nationwide Insurance and other involved officials to discuss the project, he said the city was not responsible for the delay in constructing the High Street/3rd Street connector. "I don't appreciate that the city should be accused of causing a delay," in reference

<sup>&</sup>lt;sup>5</sup> Columbus Dispatch, 5 August 1977

to a BCC flow chart which indicated that the city was responsible for the plans for the connector until BCC supplied city officials with the design details for the project, and he had received the plans only Wednesday. city had originally planned to let bids for the project in May 1977. Although BCC was responsible for building the connector through the convention center site, it would be connected to a new High Street viaduct for which the city was responsible. "Our engineers cannot complete the design of the viaduct for which the city is not responsible. Our engineers cannot complete the design of the viaduct without the information from Battelle on the High-3rd connector," he BCC president Clyde R. Tipton, Jr., responding, said he did not believe the city "needs every bid of information" on the design plans, but the city official and city expressway engineer disagreed. While a frequently used strategy is to assign blame BCC's new construction manager, said the nonprofit corporation was not trying to blame the city. "We're asking you to do anything you can to expedite the project." One problem related to the construction of the High-3rd connector was the relocation of approximately 1200 feet of ConRail railroad track which ran through the convention center site. The relocation must be done along with the construction of the connector. The city would do all it could to speed up the projec but according to

officials it had no control over ConRail. ConRail would perform the actual track relocation. Officials said they might ask ConRail to commit two shifts of workers to perform the relocation so it could be done quicker. One official said he felt certain the city could meet all of its obligations on time, but couldn't speak for ConRail or BCC. An influential Downtown businessman who was also a member of the BCC board, said it was time for all involved officials to lay their differences aside and get on with completing the project.

Douglas Yates has conceptualized three decisionmaking models with instability, uncertainty, and number of participants as properties. The three models are rational decision, incrementalism, and reactive decision-making. The rational decision model assumes a problem can be clearly defined, it can be isolated for analysis, and through the application of knowledge and reasoning, some better, more efficient solution can be found for the problem. This is by definition a very simple decision-making process. incremental model, while not presuming the same conditions systematic, scientific analysis, does presume for relatively stable set of decision games and a steady process of agenda setting and policy development. In essence, depicts a political system incrementalism in established policies are changed marginally and through a

consistent process of bargaining and mutual adjustment. But, and concerning the latter, reactive decision making, players in urban politics often find themselves in highly dissimilar games and are by no means willing to trade and negotiate in the interests of mutual partisan adjustment. Instead, urban political actors sometimes find themselves in stalemates, confrontations and "non-decision" games in which opposed players do not bargain or adjust at all because each has a separate piece of authority or policy jurisdiction and can therefore operate in feudal isolation from competing players and baronies. In this model, the players enter into a free for all of "street-fighting" pluralism characterized by an unstructured, unpredictable process. As the preceding vignette in the service director's office suggests, these actors were engaged in "street-fighting" pluralism. BCC, facing uncertainty and in an ever expanding arena of conflict, was in a reactive-decision mode looking for anything that would work.

At 5:00 p.m., Friday, 5 August, Worsham submitted what he called a "submission," rather than "funding proposal" or "financial package" to Tipton and the board in accordance with his contractual relationship. 6 After making the submission he said

<sup>6</sup> Columbus Dispatch, 6 August 1977.

There are a number of financial aspects that will need to be discussed. I'm here to discuss the submission that was made to BCC and explain any items therein if they so desire tomorrow...I submitted certain documents today...They this evening reviewing them and I'm sure fantastic is a tomorrow...This city convention center hotel. I've worked a year and a half on this. Let's hope the hotel gets built. That's the most important thing... Equitable has not made a commitment, (and) I have made no application to them.

Response from the board came quickly, for after examining the "submission," trustees terminated the agreement with Tensor on Saturday, 6 August 1977. The board didn't comment, however, on the \$750,000 that the contract set up for Worsham's use nor on the \$250,000 of that sum which Worsham had secured by a "letter of credit." As a result, there was a legal question remaining: did Worsham get \$500,000 or \$750,000 for his hotel search? In a statement handed out subsequent to their meeting, the board stated

It will begin immediately to evaluate a number of other possibilities in the development of the hotel...At this time the board wishes to reiterate Battelle Commons Company's complete commitment to bring about the development of the Ohio Center in accord with the development plan previously announced, which calls for, in addition to other amenities, a convention civic center building, parking facilities, retail space and a major hotel.

<sup>7</sup> Columbus Dispatch, 7 August 1977.

Board chairman Heffner, in response, iterated "We went through it and felt it didn't meet the requirements in order to do the job we want to get done, but we still have the rights to Hyatt House." Worsham had departed Columbus, and Tipton beat a hasty retreat following the meeting. Voting 8-0 to end the contract with Worsham, board members felt if the company worked fast, the failure with the first developer should not impede progress on the proposed convention center.

The redevelopment entrepreneur is a manager and a technocrat whose efficiency is measured quantitatively, e.g., acreage cleared, construction completed, financing secured. Battelle Commons' contract with Worsham had been terminated. Three years had lapsed since the Battelle "Alternate" was proposed, and hotel financing hadn't yet been secured.

Response to the new situation came from a variety of officials; some positive, some not so positive. 8 Council president, a nonvoting representative on the BCC board, and speaking as a "trustee" of the public said

They've got to look for another developer. If they move quickly, there should not be much of a delay...A lot of work has been done...The city has \$6 million in land plus capital improvements, plus the aid of the service director, development

<sup>8</sup> Columbus Citizen-Journal, 8 August 1977.

department and council... As far as I'm concerned this is not a private project... One of these days these executive sessions are going to have to cease.

The mayor's executive assistant, also a nonvoting observer agreed with the council president that Worsham's proposal was not approved because he (Worsham) was reluctant to put some of his own money into the hotel. Most major lending institutions expected the borrower to plow some of his own equity into such a project. And another board member, an influential Downtown businessman, suggested that Worsham hadn't proposed to put enough of his money into the project. Importantly, the council president suggested, and what would later become a key consideration, the main problem was BCC had made a mistake in not selecting one firm to supervise all phases of the project, instead of going at it "piecemeal." There were also other problems. The relocation of railroad tracks through the project site could delay start of the center until 1 February 1978. In the meantime the board directed Tipton to begin consulting with other developers. One board member said the board didn't question Tipton's performance and further

I think we're going to build a convention center... There's no question some of it is

The reader may be surprised to find out later in this chapter, that groundbreaking occurred very nearly on 1 February 1978.

frustrating, just because of the complexity of the entire project.

## The <u>Citizen-Journal</u> stated however 10

It may be that another developer with the appropriate financing is right around the corner, but this latest problem - even if minor - is part of growing confusion about the convention center and what it will mean to Columbus.

As the second week of August began, the mayor took an official public position when he said he believed public confidence in BCC "has been sapped" and hoped a BCC commitment to hold open meetings in the future would help restore the public's trust. 11 The mayor said he understood BCC intended to cease holding closed board meetings, except for special circumstances when "personalities, legal issues, property acquisition and things of that nature" must be discussed. The mayor commented:

I think it would be a considerable boon to the public and would eliminate a lot of questions and confusion if the meetings were open to the public. I don't want to suggest that anything wrong has occurred in secret meetings. However, I feel those meetings gave rise to a number of rumors, some of which are half-truths and some without fact, and as a result public confidence has been sapped.

The mayor, acting as an umpire added he didn't believe the lack of progress in constructing the convention center was

<sup>10</sup> Columbus Citizen-Journal, 8 August 1977.

<sup>11</sup> Columbus Dispatch, 8 August 1977.

simply a result of closed-door meetings. But the mayor, who was reluctant to pin-point blame for the lack of progress, said holding open meetings should at least let everyone know the status of the convention center building process. In response to whether BCC could do the job under its current management, he replied, "I think they can and will do something. Whether it will be under the most ideal circumstances is another question and not appropriate for me to comment on right now." The mayor admitted, though, he had a concern about some functional aspects of the convention center, including whether its planned exhibition space was large enough. His response was,

I have a very deep concern about that issue without knowing which is the better course of action. I have seen studies indicating that a much larger exhibit space would be of tremendous value...at the same time I have orally heard reports that indicate the real future of meeting facilities lies in handling a great number of small meetings.

Those reports, the mayor noted, would indicate that a convention center would be more valuable if it contained many small-scale meeting rooms, which were planned for the Columbus convention center. "The point is, I don't know the answer as to the future of the market for conventioneering. I feel that there should be enormous value in a open and public discussion of it," he closed.

The same day the mayor took his position, Tensor, Inc., the Atlanta-based firm hired in 1976 to develop the luxury hotel filed suit against BCC in the Franklin County Common Pleas Court for the \$250,000 performance bond money. 12 The Court in turn issued a temporary restraining order prohibiting BCC from cashing the \$250,000 letter of credit given it by Tensor as a guarantee of performance of However, when the order was served upon BCC executives, it was learned Battelle Commons had already obtained the money. The Court then issued a second order that BCC deposit the \$250,000 with the clerk of courts pending the outcome of the suit. When BCC had initially contracted the firm to develop the hotel for the center, it advanced Tensor \$750,000, officials said. Although the suit didn't make mention of the \$750,000, the action apparently stemmed from BCC's attempt to reduce its fees to Tensor to \$500,000. Clyde Tipton, BCC president, in response said BCC was not asking for return of the \$750,000 and that Tensor, "did not have to account for how they spent it." Tensor having been fired after the board rejected its hotel plan said in the suit there was a provision in its contract with BCC that it would be entitled to the return of its letter of credit if it was unable to secure hotel financing because of

<sup>12</sup> Columbus Dispatch, 9 August 1977.

circumstances beyond its control. Tensor argued it had performed its obligations under the contract and notified BCC on 5 August, that it had fulfilled its obligations. Tensor also said it asked for the letter of credit back, but BCC had refused to return it. Tipton said "we don't feel there are grounds for a suit," saying the contract was terminated because "they did not perform." He said the \$250,000 was in a sense a performance bond to guarantee performance of the contract.

Meanwhile BCC in a reassuring gesture, awarded a contract for the interior design and graphics of the proposed center to Columbus architects Byron Ireland and Associates and Chermayeff and Geismar, a New York City graphics firm. 13 In the joint venture, Byron Ireland and Associates would be responsible for interior design and Chermayeff and Geismar would create a coordinated graphic identity for the convention center. Byron Ireland and Associates designed the interiors and exhibits for the Ohio Historical Center and the state office building in Cleveland. Chermayeff and Geismar designed the U.S. Bicentennial symbol and graphics for corporate giants including Mobil Oil and the Chase Manhattan Bank.

<sup>13</sup> Columbus Dispatch, 9 August 1977.

At the same time, another possible joint-venture appeared shaping up when BCC announced it wanted United Redevelopment Corporation (URC) to develop the proposed Columbus Convention Center hotel. This move would have major significance in the future. As background, URC was organized sometime ago by John W. Galbreath & Company and Nationwide Insurance, and their interests were both represented on the BCC board. BCC representatives "came over and talked to URC, " Daniel Galbreath said. They wanted to see if we'd be interested in development of the hotel." The corporation was examining the details of the project and would let BCC know by the end of the week if it wanted to do the job. URC was one of the potential hotel developers BCC "talked to early in the game," BCC President Clyde R. Tipton, Jr., would now say. "But URC was involved significantly elsewhere and didn't have the resources then," he explained. Tipton also announced that two out-of-state firms were interested in the project, and one was "a strong possibility." Local URC efforts included Thurber Towers and Market-Mohawk urban renewal. Also potential conflicts of interest that might be associated with Galbreath Nationwide interests voting on URC contracts was recognized when the company was formed. "Full disclosure" of board members' ties to their own firms and abstention from voting on contracts in which their companies are involved, was part of the BCC's articles of incorporation. Thus during early August, BCC was "actively interviewing" prospective hotel developers for the proposed center. And some of these people were local interests as Tipton now begin to respond to people who showed an interest before Worsham.

Meanwhile BCC was still taunted by those questioning the agency's accountability. One of the major phenomenon in urban politics is the sometimes questionability of the accountability of bureaucratic agencies. Quasi-public urban redevelopment agencies have had almost unquestionable and influence in the area of responsibility throughout their histories. With considerable discretion, control over information, and enabling statues, they have usually plied their trade in an unchallenged manner. But in Columbus, at this point, council's president began to threaten the corporation by getting the city attorney to investigate the legality of the board's closed sessions. 15 In explanation, the two meetings he had attended dealt with legal and personnel matters which he felt could legitimately be discussed in open session.

As mid-week developments continued, it became apparent Tipton had turned to local resources in his effort

<sup>14</sup> Columbus Citizen-Journal, 10 August 1977.

<sup>15</sup> Ibid.

to get the hotel built. 16 Daniel M. Galbreath, a BCC trustee . and operating chief of John W. Galbreath & Company, confirmed Tipton had asked him on 8 August, to study the hotel as a possible project for URC. Galbreath said, "We haven't really been invited to do it...Clyde just asked us to look into the possibility....we need a little time to look into the financing problems. He (Tipton) asked us to tell him if we would be willing to undertake the project," Galbreath said. Several months ago, Tipton had declined to discuss the possibility of utilizing the local resources represented on the nine-member BCC board. His claim was it would be prejudicial to BCC's contract with Worsham. BCC members, the majority of them influentials in their own areas of expertise, reportedly, had been somewhat hesitant to involve themselves directly in the center development. However, Galbreath out of a sense of civic responsibility, noted "conflict of interest comes up when things are done secretly. I have no problem with getting into this if it's known who everyone is. We're trying to do something for the community and I'm willing to do anything I can to help." Early in BCC's involvement in the center project, Galbreath specifically, it was reported, asked not to be considered as a developer. However, the continuing delays had caused him

<sup>16</sup> Columbus Dispatch, 10 August 1977.

to reverse his position. The developer would not say, "I'm not a convention-type guy. That's an area I don't know anything about." Tipton's move to involve URC in the hotel development was viewed by many as an effort to take the heat off the center's size. It could also have masked expected critical comments over BCC's spending \$500,000 or more on Worsham. In a related matter, the Franklin County Common Pleas Judge who had previously ordered BCC to turn the \$250,000 performance bond money over to the clerk of the courts, on 9 August, set aside that order and said the money would be returned to BCC. As a condition, BCC must purchase a 90-day certificate in a Columbus national bank and not touch the money until the legal matters were resolved.

With local development interests now in the picture, Robert Bashor, president of Columbus convention bureau, was invited to discuss exhibit space at the BCC board on 23 August. This was the first time since BCC organized that the company solicited the opinion of the convention bureau. His response was

Our people have not changed their expectations from what we had at the outset when we advocated, at the very least, 150,000 square feet...We aren't able to book anything-and now people are thinking about events in 1982-because we don't know what we'll have. From the looks of it, they're going to build another Vets.

<sup>17</sup> Columbus Dispatch, 14 August 1977.

Earlier, Daniel Galbreath, in explanation of his involvement stated

Two years ago, when I told the board I would help in any way I could but I didn't want to be considered for the developer. I was afraid I'd have been subjected to criticism if I'd taken it. As a board member, I'm in a fish bowl and I don't want to be harped at. If people understand that it would be something for the community, there's no question we or URC could get the job done.

It was revealed also during the week that Tipton who had wanted both the center and hotel to "finish together" said publicly  $^{18}\,$ 

Columbus hasn't had a new hotel for a long time...And the prime location for a new hotel isn't this site. The number one location...is at the corner of Broad and High Streets. This is not...your number one site in town for a brand new hotel. This is a project that has all sorts of obstacles in it. I'd be the last one to deny it.

And Board Chairman Heffner would say regarding exhibit space 20

Of course we're analyzing the space again and again. But Columbus is a regional center, not a national one. At the meeting, we're going to have the president re-explain how he came to these decisions...We have to look at the amount of money we have. We'd like to give the center a tax-free center. We don't want to have the president re-explain how he came to these decisions...We'd have to look at the amount of money we have. We'd like

<sup>18</sup> Ibid.

<sup>19</sup> The writer wrote earlier about the difficulty in acquiring property at that location. See pp 86 above.

<sup>20</sup> Columbus Dispatch, 14 August 1977.

to give the city a tax-free center. We don't want to give Columbus a white elephant.

Amidst the mounting crisis the press reiterated comments received earlier by a man from Pittsburgh and one from Kansas City. The former, a convention center promoter stated

The 'Jet Age' has tipped our industry. It's so easy now for people to get to the sun-and-fun spots. In the Middle West we have to really work to give them something special. It's a struggle to survive.

The latter associated with convention center developments said "I think you'll find that usually it's a mistake for those who give the money to control how it's spent." Prior to the 23 August meeting one could sense feelings of deja vu as URC officials announce

studies," and BCC would have to agree to certain "ground rules," should URC take the hotel job. 22

In that 23 August meeting, the Columbus-based John W. Galbreath & Company came to the "rescue" of BCC, when the former decided to develop the \$32 million hotel and supervise overall construction of the \$80 million convention center. <sup>23</sup> During the meeting, the BCC board unaminously

<sup>&</sup>lt;sup>21</sup>Ibid.

<sup>22</sup> Columbus Citizen-Journal, 20 August 1977.

<sup>23</sup> Columbus Dispatch, 24 August 1977.

approved a plan outlined by Daniel M. Galbreath to get the project off the ground as soon as possible. Galbreath would hire architects and construction contractors, obtain a management firm, arrange construction and permanent financing and put together an equity package for the 700room hotel. Also, one of three conditions laid down by Galbreath before he agreed to take the job allowed the development firm to oversee construction of the convention center complex. "Because of the complexity of the project, we feel it is necessary that BCC retain John W. Galbreath & Company as a construction manager to coordinate interface the construction of the convention center and the hotel, " Daniel Galbreath said. This is important, he added, "so we won't find ourselves in a situation where one (the hotel) was complete and the other (convention center) was not." A second condition called for the negotiation and execution of a lease agreement between Galbreath and BCC within 30 days. The third condition was that Galbreath work out a settlement with Earl S. Worsham of Atlanta, Georgia, the hotel developer recently fired by BCC. Galbreath announced that Worsham had agreed to drop his \$250,000 suit in Franklin County Common Pleas Court and sign a release promising no further legal action against BCC if Galbreath was hired as the hotel developer. The Galbreath firm's agreement with Worsham's Tensor, Ir ., also

Galbreath acquisition of any and all work done by Worsham. Galbreath admitted the agreement called for the exchange of money, but would not say how much. The URC which was a joint venture between Galbreath and Nationwide Insurance Companies, was asked on 5 August 1977 to consider developing the hotel. Galbreath said his company and Nationwide decided "it would be best now to keep the entities separate" and keep Nationwide out of the development of the hotel, although Nationwide might be involved in its financing. Galbreath also revealed that his firm already had canvassed Columbus area financial institutions and had tentative commitments of roughly \$6 million for an equity package for the hotel.

Trustees also learned that BMI had agreed to extend an \$8 million line of credit if it was necessary for the hotel equity package. 24 BCC President Clyde R. Tipton, Jr., revealed also that BMI would agree if necessary to allow BCC to assume full ownership of the hotel on a temporary basis. "BCC intends to sell its ownership in the hotel as soon as possible, however," Tipton said.

<sup>&</sup>lt;sup>24</sup>Ibid.

Galbreath said the equity package could be completed within a month, although he said it could take as long as four months. 25 Informing the press that the Hyatt chain was the most likely to become the hotel manager, he said Hyatt officials contacted his company as soon as they learned it was considering developing the hotel and expressed a strong interest in becoming the management firm. Galbreath also emphasized that his firm would not be a partner in the equity package so it would avoid any criticism of having selfish economic interests in the project. "We committed to do whatever we possibly can, " commented "We just want to get this thing built." Galbreath. Galbreath told BCC trustees he believed construction of the hotel could start within four to six weeks, but that the hotel need not be started at the same time the convention center got underway because it would take less time to build. BCC project engineer informed construction drawings would be completed and ready for bid by 15 September. Construction on the center could start by 1 November and be completed by April of 1980, he said. sole obstacle to that timetable was the relocation of approximately 1,200 feet of ConRail railroad track which ran through the project site. Construction of the convention

<sup>25</sup> Ibid.

center would come to a halt by 1 February 1978, if the tracks were not relocated by then, Hickman said. response, board members decided to postpone deciding whether they should authorize the start of construction of the convention center with the railroad relocation still up in The board member who also served as president of Huntington National Bank, said he believed construction of the center should not start until after the railroad relocation. Ħе reasoned that costs could construction was started, then must be halted and restarted at a later date. Board chairman, G. C. Heffner said the trustees would wrangle with that question at a future meeting. In other actions, the board reaffirmed its support of the planned size of the convention center, since some observers still criticized plans that called for about 90,000 square feet of exhibit space. Tipton's response was studies showed the convention center could handle at least 83 percent and up to 96 percent of all meetings, exhibits and events held in the United States. He based his opinion on the 1975 market survey conducted by Booz, Allen and Hamilton and a more recent survey done by Successful Meetings magazine. Board members agreed that expansion of planned exhibit space could cause financial problems for BCC and could make it more difficult to eventually turn a profit-making facility over to the City of Columbus, as BCC

was charged with. However, a BCC architect assured board members the exhibit space could later be expanded by 50,000 square feet if it was economically justifiable. Bashor of the Columbus Convention and Visitors Bureau, now in attendance at the meeting, urged board members to strongly consider such expansion if it was possible. Bashor said the data quoted by Tipton didn't consider possibilities of holding more than one convention or meeting in the facility at the same time. "There are conventions we cannot take now because of the overlap of dates," he said. Also telling board members the convention center would be booked up faster than they realized, Bashor said more than 400,000 members 800 organizations with were conventions each year in Columbus. That total increase immediately by one-third with construction of the center, he said.

Support for the new takeover came rapidly. A local editorial read  $^{26}$ 

Past performance records would indicate that the experienced management hands of John W. Galbreath & Company is just what is needed to get the long-delayed Columbus Convention Center construction off dead center. Announcement by the firm and BCC, which has been in charge since the center's inception, that the Galbreath organization would coordinate development of a \$32 million hotel and the \$80 million center is most encouraging. In

<sup>26</sup> Columbus Dispatch, 26 August 1977.

supervising the construction, Galbreath has an opportunity to review the plans - including the controversial question of adequate exhibition space - and see that Columbus gains a convention center suitable to its needs. Galbreath had indicated that Nationwide Insurance Company could be involved in future financing. If so, it would mean local development would be in capable local hands. At one time, the developers said ground would be broken for the center's hotel in mid-1976. But the goal was not met. Now, there was new confidence, for the Galbreath firm has the reputation and the capacity to get things done. Prospects have brightened for the badly-needed Columbus Convention Center.

And thus, as if a lingering cloud suddenly lifted, there was a concerted sigh of relief and manifestations of joy the fourth week in August 1977 in Columbus. The collective cheerfulness was to be heard in City Hall, business office buildings, labor gatherings, and on the Smiles multiplied as the news spread that John W. Galbreath & Company would take over development of the hotel and oversee construction of the convention center on the old Union Station site. Even the much-maligned officials of the BCC, participated in the smiling due to the large degree of confidence officials had in Galbreath & Company, successful developer of world-wide projects. The usually reserved mayor pronounced with a big smile that Galbreath's participation absolutely assured the long-delayed center would become a reality:

What happened yesterday afternoon absolutely insures and guarantees the future of our convention center and hotel. This is going to be the most fabulous complex in this city.

Meanwhile a city councilman stated city officials had better get busy planning for the much-talked-about indoor sports arena. Because most officials believed the arena should be next to the convention center, it was important to get started examining how it would be tied into that project, he Prior to the announcement that Galbreath was getting felt. involved, city officials seemed to be moving slowly on the sports arena proposal. Business men and labor leaders who attended an Operation MOST (Management and Organized Labor Striving Together) meeting that week joined the chorus in singing praises to Galbreath. An official of the Columbus Trades Council beamed as he promised that organized labor was raring to construct the center quickly and efficiently. The vice president of Turner Construction Company vowed that "dirt will fly by November 1." Although completion had been scheduled for April of 1980, "we think we can beat that date, " he said. BCC officials G. C. Heffner and Clyde R. Tipton, Jr., acknowledged their good fortune. "Galbreath very graciously offered its expertise," Heffner commented. "We just want to get this thing built," explained Daniel M.

Galbreath. "We are committed to do anything we possibly can. And judging from public response, that was all anybody needed to hear.

## Interlude

This chapter is perhaps the most important in the dissertation. Significantly it most clearly discriminates between formulation and legitimation activities and the translating of intent into concrete action—implementation. Redevelopment policy was legitimated. The Ohio Center would rise.

As a student of urban politics, the writer has a feeling of deja vu at this point. For despite surprise in the community at this juncture, one could have predicted what was to take place. When it was announced Galbreath interests would develop the entire center-hotel complex, the decision was made to start construction of the complex.

Throughout the process of policy formulation and legitimation, coalitions have to be built and rebuilt. Moreover activities in which various coalitions support and oppose specific versions of proposals must occur to allow one coalition to become strong enough to prevail. Without the creation of coalitions few policy initiatives would ever succeed. In 1974 through a process of coalition building and compromise, it was decided Battelle would finance and oversee the center's construction. "Good citizenship"

instead of charitable work, the research organization's involvement in larger urban policy issues. But even though it had to legally provide funds for the center's construction, the organization maintained control over those funds and development activity. Thus with a broad base of interests represented on its board, BCC would presumably begin the implementation phase of the project. But formulating and legitimating were still to be. throughout the process of policy formulation legitimation, coalitions have to be built and rebuilt. Moreover coalitions are rarely permanent.

Gradually, over time, BCC and President Tipton faced a series of small variable crises - the arcade demolition, construction start delays, less than positive relations with the city, the Wolfe resignation which they handled less than successfully according to some viewpoints. Adding to this the Tensor debacle, these were not the kinds of activities to cement victory. Compromises were not the order of the day and not of the variety to allow the coalition headed by Battelle to prevail.

With BCC floundering on the brink of disaster, it became necessary that a trusted and respected developer take control. Thus with Battelle unable to maintain a successful coalition, there had to be a turning point. As the preceding pages illustrate, now and properly, to bestow

civic legitimacy on the project, Galbreath interess could step in, avoiding conflict of interest claims, and bring needed skills and experience to restore prestige to the project. The influence of business comes not so much from the capacity of business to overwhelm or intimidate all opposition as for its power to meet strongly felt needs of public officials.

Thus it was necessary, proper, and inevitable development interests would take the over project. Developers, along with major retailing and banking interests are directly connected with the physical growth of the city. It is developers, for example, who build and construct. Also such interests having an important stake in local politics usually donate to campaigns for public office of sympathetic candidates and can bring pressure when the city is making decisions that will lead to building. And they usually successful when supported by "influentials," who become involved in these development matters which are of fundamental importance to the city. Such interests over the years in a community usually have developed an elaborate network of personal relationships to influence local politics which provides them with the ability to move into close alliance with public officials and become close associates in forming and overseeing public policy. Faced with continuing opposition and failing to concert activity for the center's and hotel's construction, Battelle had but one alternative, and that was the least objectionable chosen for it: Galbreath interests would take over.

At this point in the dissertation. one knowledgeable of several consequences associated with the need for constant coalition and majority building based on the Columbus experience. First it usually takes a long time to formulate and legitimate policy. The Ohio Center Commission articulated the problem to the government in the Spring of 1971. Second, compromise is essential in order to form and reform coalitions and majorities and to hold them together. Witness Tipton's problems. Finally, given the lapse of time and the myriads of compromises that are made over time, the nature of policies often change substantially during the formulation and legitimation phases. In 1975, Battelle would not only finance but also oversee the Ohio center's construction. In August 1977. Galbreath and company would "coordinate and interface" the entire convention center complex.

## The Select Choice Among Alternatives

As an uneventful September reached an end, BCC and John W. Galbreath & Company neared a final agreement. 27 In

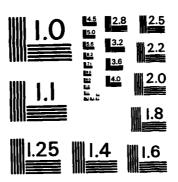
Columbus Citizen-Journal, 28 September 1977, and Columbus Dispatch, 28 September 1977.

the last board meeting in September, Clyde R. Tipton, Jr., announced "I'm ready to sign right now" when the Galbreath supervision question was considered. But attorneys for both BCC and Galbreath & Company said there were some minor technical changes which needed to be made in the final draft of the agreement. With routine now again the order of the day, BCC board chairman, Grover C. Heffner directed Tipton and the lawyers to "smooth it up" and distribute copies of it to board members for their study and ratification. Galbreath sa id "the agreement would provide a arrangement substantially in accord with what we've done in other projects across the country." The Galbreath firm would receive about \$400,000 for the \$27 million center construction - based on an estimate of the 1.5 percent fee, Heffner said. He noted the fee would "not go very far toward covering the expenses of the Galbreath staff which will be involved." The chairman added that any profit Galbreath might make from the undertaking, "will certainly be slim, if it's there at all. " Until several weeks ago it will be recalled, Galbreath had shied away from the project, fearing possible criticism owning his to BCC boa rd membership and his corporate involvement with other Downtown interests. He was persuaded to bring the considerable resources of the internationally known firm into play after Tipton's efforts flagged. Galbreath said publicly after the meeting

I believe we have the experience and expertise to be of considerable assistance to Clyde and his staff. We are used to dealing with - mediating - to reconcile the opinions of architects and contractors, who really don't care about expense, and really getting the job done as economically as possible.

At the meeting, Galbreath told the board of a major stumbling block in the way of any developer obtaining financing for the luxury hotel which would be an integral, and adjoining, part of the convention center development. The question was whether BCC would be able to subordinate its claims to those of the financier of the planned hotel in the event of a foreclosure action. This would mean, in the event of a foreclosure, BCC would lose any rental or profit from the hotel although the city would retain title to the land on which it stood. As a consequence, the BCC board decided its lawyers and those of the Galbreath Company should go back to solve the legal question of who ended up with the proposed convention center hotel in case of foreclosure. In the event of a foreclosure in the hotel, Charles Brooks of Galbreath & Company, said the city would still own the land. To make the project more saleable, he asked BCC to subordinate its interest in the hotel to that of a potential major investor. BCC board members recalled that the failure to resolve this question in favor of those who might put up the estimated \$32 million for the proposed hotel wrecked a private developer's hopes several months ago to get a builder for the site. Worsham's problem was now clearer. Daniel Galbreath also noted final control of the hotel had been a problem with possible lenders, such as Connecticut General and Prudential Life Insurance companies. "We have to give Galbreath the capability of selling an attractive equity package, " Heffner asserted. In the past, BCC was not willing to forego ultimate control over the hotel. "This is as complicated as any real estate deal ever made, "Galbreath added. "No one should get discouraged." Board members felt one alternative might be found to assure lenders without cutting out BCC's legal interests in the hotel, but a provision in the sublease was necessary so "someone's feet are held to the fire" regarding mortgage payments. Heffner said a special board meeting would be called as soon as the lawvers resolved the problem. BCC trustee and Huntington National Bank president Frank Wobst observed, "We must have flexibility and give Mr. Galbreath the most attractive package possible to interest equity people of all kinds - those who may be looking for a tax shelter and those who care nothing for that. " Galbreath stressing that his firm would have no part in the ownership of the hotel, noted

URBAN REDEVELOPMENT AND THE STRUCTURE OF POWER: THE IMPACT OF PRIVATE INT. (U) AIR FORCE INST OF TECH WRIGHT-PATTERSON AFB OH A ANDREWS 82 AFIT/CI/NR-82-68D F/G 5/4 AD-A121 573 677 UNCLASSIFIED NL



MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS - 1963 - A

We're just trying to anticipate what the builder will have to have ready if he's to stand a chance of getting the money...We'll get a developer's fee from the builder but not a penny from equity or BCC. We're fighting for the owners-to-be.

Counsel for Galbreath and BCC were directed to meet within the next two weeks to attempt to resolve the legal complexities of the question and consult with Wobst, acting as the board's representative.

Also during the meeting, Galbreath mentioned he would get an update on changes in the hotel design. "Class hotel refinements" which were dropped from plans for the 700-room structure as BCC's first, unsuccessful hotel developer neared the end of his contract, were being restored, he noted. Heffner said the hotel operator should be chosen "within a couple of months," and Galbreath indicated Hyatt House and Western International Hotels had discussed the project.

BCC engineers told the board that, in their latest schedule, bids would be taken October 20 for excavation, foundation and structural work on the convention center building. 28 BCC's manager of construction and facilities engineering, said complete excavation, grading, footer and crash wall construction should be underway by February. Also bids on the center construction would be opened 20

<sup>28</sup> Ibid.

October. If excavation began 1 November 1977, and if Penn Central held to its schedule of relocating its railroad tracks, foundation work could begin as early as February 1978, and the center could be completed by April 1980. other business, trustees differed approving a proposal by Tipton to erect three signs, at a total cost of \$3,000 around the center site listing the trustees, the various architects and engineers with a painting of the proposed center viewed from the south. Heffner, the retired U. S. Navy Admiral, called it "planting the flag, showing here's who's involved and here's what's going to happen so when people start getting excited about the project they'll know." Galbreath asked that the sign plans be deferred at least until a picture of the proposed hotel could be included in the representations. Tipton also proposed putting a \$71,000 insert, "just like any other customer," in a slick-cover publication being prepared by the Columbus Convention and Visitors Bureau. The publication, similar to one the bureau published in 1972, listing the city's advantages, had an end-of-October deadline. It's cover, Tipton said, would be a painting of the Columbus skyline as it would appear if all of the proposed Downtown improvements were realized. One member grumbled, "Why can't you get them to wait until we can give them a convention center cover?" "It's the biggest thing to happen here since Vets Memorial.

If that book's going to be around for five year, the center should be on the cover. I can't think we're just like any other customer." Council President M. D. Portman, a nonvoting member of the board, joined Galbreath and other members in recommending Tipton confer with bureau officials in an attempt to work out some arrangement — primarily urging the Columbus Convention Bureau to wait until hotel plans were definite so it could feature the center and hotel in the new bureau publication, or commit itself to another publication.

As October arrived, with a proven developer now in the picture, the turning of the first shovel of dirt could not be far away. 29 The injection of the Galbreath expertise was an important catalyst, and now residents of Columbus could look forward to completion of the long-discussed project. For example, by the second week in October, A. Charles Brooks, director of development and construction for the John W. Galbreath & Company felt the agreement on ground lease provisions for the hotel was getting "closer and closer." Although the contract which would give Galbreath supervision over the project hadn't been approved, Brooks said, "We've already jumped in," and the fine points in the land lease were being worked out. The question of who

<sup>29</sup> Columbus Citizen-Journal, 11 October 1977.

retained ownership of the hotel to be built on city-owned land, in the event of foreclosure, was still an obstacle. Battelle didn't want to yield too quickly on this point. But with prompt approval now necessary to meet the projected construction start in Spring 1978, Brooks stated, "We've got to clean it up in the next 10 days or so...I'd like to have an agreement by the time of their (BCC) next meeting". Discussions were continuing with potential first mortgage and equity lenders, he noted. The hotel was now estimated at \$33.5 million, up \$1.5 million from the previous developer's plans, and mortgage lenders would provide the bulk of that. Connecticut General, Equitable and Prudential insurance firms, Brooks Harvey investment brokers "and some others" had been contacted about mortgage funds, Brooks said. Galbreath & Company was still talking with other possible investors, including some local firms, concerning equitable capital - the differences between the mortgage and the hotel cost - he said. During the first week in October, Tipton had said BCC "will do ever thing we can" to have a hotel ground lease ready by the next board meeting so Galbreath could be specific with potential lenders about the amount of money needed and the hotel ownership provisions. Bids for convention center construction contracts were still due 20 October, but the date for mechanical and electrical bids had been moved to 10 November.

CARACA TAGALANA PARAMETER

By the beginning of the last week in October, the first stages of convention center construction were under way. 30 Piers for the planned High to Third Streets connector were being erected, and subgrading was taking place for railroad track relocation. In addition the venerable High Street viaduct, which once carried passengers to Union Station, was being dismantled from the pavement down. in the meantime, BCC had failed to meet another deadline. 31 Bids for the center, previously set for 20 October, had been changed to 17 November. Daniel M. Galbreath, a principal in the firm, which had now undertaken overseeing the project and hotel, said the design of the center was under revision. More importantly, the BCC board would meet on 28 October, and review an agreement worked out by Galbreath and BCC attorneys on the issue of who would own the hotel if it should go broke. Under the agreement, should a foreclosure occur, the corporation which loaned the money to build the hotel would pay the city for the land it occupied. It was expected trustees would approve the agreement.

with consensus in the air, a fissure that had been brewing between the CCVB and BCC opened to a gaping chasm on the morning of 26 October 1977, in Council Chambers at City

<sup>30</sup> Columbus Dispatch, 24 October 1977.

<sup>31</sup> Columbus Dispatch, 26 October 1977.

Hall. 32 At the meeting, CCVB, with fanfare, announced "a precisely planned and highly aggressive new marketing and promotional effort to attract additional conventions to Columbus. There were photographic slides, a recorded, boost-Columbus song and congratulations offered to the city administration and the council for allocating a portion of the "bed tax" to CCVB's activities. Those speaking in order of appearance were: the CCVB chairman; M. D. Portman, council president; a CCVB vice chairman; Robert Bashor, CCVB president; a vice president of the Warner P. Simpson Company, hired by CCVB as its "marketing communications agency, and the mayor's executive assistant. outlined a fancy new Columbus promotional book, planned at 64 pages but expanded to 90 "due to hotel and motel response," for distribution to organizations and groups planning conventions. Also there would be a 14-month-long campaign of third-of-a-page ads in national publications. The ads would urge "Consider Columbus...We've got it all together." But the "real star" of the promotion, said Bashor was "the people of Columbus." The campaign, it was clear, would attempt to sell the city to prospective conventioneers.

<sup>32</sup> Columbus Dispatch, 26 October 1977.

But the "all together" slogan obviously did include BCC. 33 Neither the speakers nor the song mentioned the convention center. Nor was there any notice paid to the possibility of a sports arena. The cover of the promotional book was illustrative of the Columbus Downtown skyline and other points of interest, but the convention center complex was not depicted. As background, BCC had long snubbed CCVB. Since its inception BCC had had only one formal consultation in August 1977, with Bashor, seeking the CCVB president's advice. From the outset, CCVB had recommended the center contain, "at the very least," 150,000 square feet of unbroken exhibit floor space. Current plans called for only 70,000 square feet in the main exhibit room with the possibility of adding 20,000 more, BCC planners said, by opening an adjoining ballroom-if no one was dancing there. Columbus, Bashor said, "gets more than it's fair share" of regional or statewide conventions. "Neither Columbus nor most other cities could realistically claim to be able to accommodate huge national conventions with tens of thousands attending, he added. "But that still leaves us with a very tidy melon of some 10,000 prospective conventions which could convene in Columbus, "Bashor said as he referred to competing in a "national market." In fact, Bashor asserted,

<sup>33</sup> Ibid.

a new program CCVB had worked out with Pan American World Airways had been mainly responsible for a 200 percent increase in inquiries from prospects overseas. Tipton had insisted the convention facility he planned would serve principally as "a regional and community center." In a rather unusual promotional split, CCVB and BCC didn't share the same advertising consultant firms. CCVB now had Simpson; BCC had Paul Werth Associates.

The omission of the convention center from the promotional book would not be a complete surprise to the BCC board of trustees. To recall, in September, Tipton told the board the proposed building would not appear on the cover and requested a \$71,000 insert be included. Board members had told him to work out an arrangement to get CCVB to delay the publication.

But, not only was the convention center not mentioned in the Tuesday program at City Hall, Tipton and BCC's other top official, retired U. S. Navy Admiral Grover C. Heffner, were notably not among the speakers. Heffner sat about three rows from the front of the council chambers. Tipton sat at the back of the room. When the presentation was over, they left separately and were not seen congratulating the speakers. Following the program regarding the

convention center's omission from CCVB's wide-ranging promotion, Bashor responded, "We can't sell a pig in a poke."

But Tipton did receive some good news on the 26th, when BCC and Galbreath Company had reached an apparent agreement on who would own the proposed convention center hotel in case of foreclosure, enabling the Galbreath Company to step up its hunt for mortgage money. 34 A. Charles Brooks, director and development and construction for Galbreath announced, "I think we've arrived at a lease-hold agreement that is mortgageable from our standpoint and meets the goals of Battelle" to share in potential hotel profits. The legal issue of who would own the hotel on city land if the project failed had been decided in favor of the lender, Brooks said. If foreclosure occurred, the prime lender, whoever it was, would make land payments to Columbus, he noted. "It's my understanding it (the agreement) will be taken to the BCC board with a positive recommendation, "Brooks said. recommended to my board the agreement be approved. " "Once we have it, we'll have the figures to present to prospective lenders." Connecticut General, Equitable, and Prudential Insurance firms, and Brooks Harvey investment brokers were "I'm among potential backers. sure thev're

<sup>34</sup> Columbus Citizen-Journal, 26 October 1977.

patiently - we have had a number of calls from people expressing interest" in the contemplated 700-room, \$33.5 million hotel, Brooks said. Also, Hyatt and Western International Hotels were still discussing managing the facility. Although BCC and Galbreath lawyers worried over the ground-lease for more than a month, and bid dates for the convention center building itself had been pushed back to 10 November, the project had not been delayed, Brooks explained. A review by BCC and Galbreath as project consultants had indicated construction drawings weren't complete enough for the planned 20 October bid deadline, he "We came to the conclusion it was not in the best interest of the project to force bids. The drawings are now complete" and general construction bids should be in by 10 November, mechanical and electrical by 17 November, Brooks would explain. Α spring construction start for convention center could still be met or even beaten, he predicted. Preliminary work was already under way at the 26-acre North High Street site with contractors doing ground preparation and starting new road construction. Galbreath had begun working on the project as consultants as if a contract had been signed with BCC. An agreement hadn't been approved by BCC's board, but Brooks hoped that would be taken care of on 28 October.

A day after Brooks' announcement, BCC's \$2.7 million High Street-Third Street connector was reportedly having design problems as a couple of its supports were five to six feet away. 35 Construction of the connector had begun several weeks ago to demonstrate BCC was making some progress. the time Tipton and other BCC officials were unavailable for The city engineer reported that city inspectors comment. had found the piers were "five or six feet out of line" and ordered their replacement saying the replacement wouldn't be at city expense. He said he couldn't sav whether the misalignment would delay the completion of the connector, which had been scheduled for May 1979. BCC, under its convention site development agreement with the city, had contracted with the Kokosing Construction Company for the \$2.7 million, 1,200-yard long road job. The connector would tie into a rebuilt North High Street viaduct and provide access to the north side of the center-hotel complex. After completed, the connector would be turned over to the city. The engineer said BCC rushed into the roadway construction because of mounting criticism over no visible progress in its development of the center site. "They don't have a set of complete plans (for the connector). They're designing and building it piece by piece. "It's a risky thing. We've

<sup>35</sup> Columbus Dispatch, 27 October 1977.

never done it before on public projects but we're approving each section" he said. The city engineer said there would be no question regarding the safety of the connector when it is completed. "These footers were in the wrong place to support the superstructure but, when the new ones are up, there will be no jeopardy to anyone using the connector," he The official also said he had been reluctant to said. approve the construction on a piecemeal basis; however, "BCC was in a hurry." Tipton, some weeks ago, attempted to blame the city for the delay in the center construction. Columbus<sup>1</sup> service director had angrilv rebuffed assertion. But the engineer said city-BCC relations had improved since then. "I think they've had some difficulty accepting our comments but its better now," he said.

In the BCC board meeting on 28 October 1977, trustees approved the formal agreement with the Galbreath Company for the latter to oversee construction of the Columbus Convention Center and its adjoining luxury hotel. 36 Absent from the meeting was Daniel M. Galbreath, who also didn't vote on the question. Under teams of the agreement, the Galbreath firm would receive a .5 percent fee for its supervision and coordination of the project. The board also authorized a proposed lease for the hotel property which

<sup>36</sup> Columbus Dispatch, 29 October 1977.

Galbreath intended to offer to prospective financers and operators of the hotel. The lease had been designed to make the hotel "attractive to investors as well as to BCC." Under terms of the proposed lease, the hotel would not have to pay rent to BCC for the first two years of its operation. the third year, land rental payments to BCC would be \$125,000 annually. Additional compensation to BCC, which it hoped would make up a portion of an anticipated loss in the initial stages of operating the convention center, "can begin anytime after the hotel opens," a BCC attorney told The additional payment would be based on a complex formula. BCC board chairman Grover C. Heffner and president Clyde R. Tipton, Jr., told the meeting that major hotel chain "conservatively" projections by а indicated the hotel might be able to pay \$75,000 to \$78,000 in additional money to BCC during its fifth year of operation. A. Charles Brooks, director of marketing and development for Galbreath, told the board studies envisioned that the convention center hotel would have a minimum of 70 percent occupancy during its third, fourth and fifth years of operation. Room rates would escalate during that period from \$44 to \$50. The lease provided three years plus 60 days after the hotel contract was signed for completion of However, Galbreath was pushing for the structure. earlier opening date which would put the center and the hotel openings "on line together." Under the lease, the hotel management would have exclusive rights to bookkeeping on convention center rooms and the center's food and beverage business. Concern was expressed that BCC was "abdicating our responsibilities" for use of space in the center. However, Heffner asserted that rooms the hotel may book were set out in the agreement and BCC would maintain ultimate control of the center's exhibit space and its adjoining ballroom. Brooks was concerned that the lack of control over 90,000 square feet of retail space, planned as a segment of the convention center complex, might discourage possible hotel developers. Bars and restaurants in this space might duplicate facilities planned for the hotel.

Also in the meeting, Heffner and Tipton attempted to explain away new criticism which erupted that week around the long-delayed project. 37 Heffner called a published story CCVB's plans to market the city regarding the conventions, "unfortunate and distressing." commented on a breach between BCC and the convention bureau which Heffner asserted, didn't exist. He and Tipton had written convention bureau officials, telephoned and following the presentation, to compliment them on their plans and to pledge that "we're behind them 100 percent."

<sup>37</sup> Ibid.

He and Tipton also attempted to dismiss the report that two concrete supports for BCC's \$2.7 million High-Third Street connector road, which would pass in front of the center, had to be demolished because they were five to six feet out of line. Tipton said a surveyor, "a man with 20 years experience," made the mistake because he was working with a now obsolete set of plans for the site's development. "Nobody's ever built a house without some kind of error," Tipton told the board. He admitted there was some haste in getting the connector built (it was being piecemeal, city sources said) before railroad relocation commenced and because it was needed platform" for workers on the upper levels of the center. Tipton predicted it wouldn't be the last mistake made in the project. A BCC board member and also president and general manager for Nationwide Insurance Companies, observed,

I don't think we want to treat this too casually. If you've ever built a house, you know you have to be there all the time and you should make certain these people have the right drawings to work from...It's not the magnitude of the mistake that bothers me but the fact that outdated drawings were used.

In other business, Tipton said he, Brooks and the BCC and Galbreath staff had agreed on postponing the 20 October deadline for taking bids. 38 Brooks said the plan drawings on

<sup>38</sup> Ibid.

we had forced the bids then it would have resulted in a lot of change orders later." Meanwhile, the plans had been distributed to prospective bidders, at a printing cost of \$9,000, and bids for all but the mechanical and electrical contracts would be accepted 10 November. The mechanical and electrical bids would be taken 17 November. Tipton also informed the board the estimated "bricks and mortar cost," exclusive of other expenses, for the center was roughly \$28 million. Brooks said he anticipated the bids could be evaluated and Galbreath would have a recommendation prepared for BCC early in December. Excavation for the center foundation could be "fast tracked" and started in December, Brooks said, although he added that he could see no reason for it.

Also at the end of the October meeting, Tipton was empowered to sign two other agreements specifying Galbreath's role as convention center hotel developer and clearing up the troublesome ground lease for the hotel. 39 Amendments to the second two agreements, suggested by BCC board members, would be worked out for attorneys for Battelle, Galbreath, and the city and would be signed sometime in the next week. Columbus owned the land on which

<sup>&</sup>lt;sup>39</sup>Ibid.

"In effect, BCC has hired Galbreath as coordinator, retaining as owner approval capability." The development firm had now been advising BCC for two months, since Battelle board members authorized negotiation of an agreement with Galbreath. During the meeting BCC also

- . Approved Galbreath's practice of not bonding Turner Construction, the center's general contractor.
- . Heard Galbreath's A. Charles Brooks sav numerous competitive bids for the center would be in by the 10 and 17 November deadlines, and excavation could start by 1 December.
- . Gave up some short-run income from the hotel to help attract investors.
- . Blasted recent newspaper accounts alleging it was unhappy with the CCVB's new marketing Columbus campaign.

On the lease, Wobst said, "The lease represents a consensus." The most important aspect is to make it attractive to hotel investors and at the same time to provide equitable funds to BCC as time goes on. Wobst added, "It's my understanding this is something Galbreath at least feels they can attempt to sell and we can live with." BCC gave up its earlier efforts "to negotiate a little stiffer income" from the hotel, Heffner said, since that hindered attempts by the company's first, unsuccessful

<sup>40</sup> Ibid.

developer. Brooks said three years after the hotel opened it would begin paying an annual \$125,000 land rent. Beginning in the fifth year, BCC could anticipate another \$75,000 or more as its 1 percent of adjusted equity. owner would put up the equity differences between mortgage and hotel's \$33.5 million cost and get 15.5 percent. Brooks used the figures of \$25 million for the mortgage and \$8.5 million equity, but cautioned they were hypothetical. In later years return figures were expected to rise, based on "conservative" estimates of 70 percent hotel occupancy and room rents averaging \$44 when facility opened, then escalating as time went on. BCC would get other income from parking, concessions and vending machines, to make the center self-sustaining, said Tipton. He noted the entire operation's cash flow would go onto one set of books, "So everyone has the same objective - keeping the center and the hotel full." Hyatt House and Western International hotel chains were the only two Galbreath was talking with then as potential managers of the convention center hostelry. Brooks pointed out several times BCC had final approval over hotel management, design and lenders. But he resisted suggestions for an "arbitration" arrangement between Battelle and Galbreath saving if communications ultimately broke down, BCC could always get a new developer. Tipton and Heffner said the consulting agreement didn't

imply there was nothing further for BCC to do. They noted until the center's net long and short run assets exceeded debits, in the distant future, the city wouldn't want to take it over. After consulting with Galbreath, BCC officers told their board the construction budget for fiscal 1978, from November through October, 1978, would be approximately \$15 million. Brooks said Galbreath's fee for the convention center would be 1.5 percent of construction cost, or about \$450,000. The fee for hotel development would be negotiated with the private equity owner, he added.

With bids getting underway, in early November, the city's finance director requested \$645,000 to purchase the two parcels of land from Bogen and Bogen and the old R. G. Barry warehouse. <sup>41</sup> Acquisition of the two parcels located on the northern edge of the site would complete purchases of land necessary to build the complex.

As the month of November drew to a close, CUSA members hoped to have the foundation for the arch poured by 5 December. 42 The city announced the committee was aiming for a 5 December installation, and a CUSA trustee reported contractors who were volunteering their labor would be ready then or soon after. According to a city official, Columbus

<sup>41</sup> Columbus Dispatch, 10 November 1977.

<sup>42</sup> Columbus Citizen-Journal, 25 November 1977.

& Southern Ohio Electric Company had consented to give the city eight-tenths of an acre bounded by Hickory and Ludlow Streets, Marconi Boulevard and the new Marconi-Front Street connector for a mini-park. The main arch of the Union Station arcade, the only remaining portion of the historic structure would be erected there. "Hopefully, they'll do the rebuilding in spring and summer. We certainly hope to be very far along (with the mini-park) in 1978," one city official said. The CUSA trustee said the electric company told CUSA to delay reconstruction of the arch until soring so it wouldn't conflict with construction of a company parking garage nearby. Meanwhile, CUSA still had to raise about \$48,000 to pay for the job. Total costs disassembly, storage, and rebuilding would be roughly \$100,000, according to the trustee. The committee wanted to complete reconstruction by May because labor costs would affect it. CUSA now planned to ask for city government and private funds to help complete the project. It recently had 380 letters to potential contributors. mailed completed the small "arch park" would include a plaza, sculpture from the arcade, trees and landscaping.

Also during November, a group of Columbus officeholders and business and development leaders came away from a trip to Lexington, Kentucky, impressed with what they saw and convinced they were on the right track. The group

was impressed with the new Lexington convention center which resembled the convention complex to be built in Columbus and included not only an attached hotel but also a 23,000-seat sports arena. To say the least, the sports arena concept was still current. 43 In mid November, the eight-member Columbus sports arena task force members picked a consultant for the arena's feasibility-study after more than two hours of debate on 15 November in Department of Development offices. Touche Ross & Company, a Cleveland consulting firm with a Columbus office, was recommended by acclamation on a second vote. If approved by Columbus City Council, the firm would do the work in three phases for not more than \$75,000. The first phase of the study, to cost \$25,000 would determine the potential of building an indoor arean in Columbus, and it would take about 30 days. If the potential was not what it should be, the study would be terminated and the remaining \$50,000 would not be appropriated. However, if the potential was judged to be good the consulting firm would proceed with an in-depth feasibility study the arena's size, costs, financing, management needs and other requirements. Although task force members chose a consultant who promised to tell them if the idea wouldn't work, one member expressed the

Columbus Dispatch, 16 November 1977.

prevailing attitude, saying, "We're after a first-class big-city project." And though ultimate financing of construction was not clear, task force members indicated they believed it would have to be a county-wide project.

With Christmas three weeks away, consultants for the center would be ready to recommend construction contracts for the \$28 million project at the 14 December meeting of BCC. 44 Galbreath and Company would have recommendations for BCC board members from approximately 200 separate bids which came in November on parts of the convention center proposal. In January 1978, Galbreath associates planned to present preliminary drawings of the proposed center hotel to BCC. The drawings would let board members know what Galbreath thought the much-discussed hotel should look like. At this time, the firm continued to talk only with Hyatt House and Western International hotel chains about managing center's hotel. The company also was still searching for mortgage money for the estimated \$33.5 million hotel among Connecticut General, Equitable and Prudential insurance firms and Brooks Harvey investment brokers. "The situation is the same as before. There is nothing new, " A. Charles Brooks said. If the BCC board accepted the proposed hotel drawings, design and financing work would proceed, he added.

<sup>44</sup> Columbus Citizen-Journal, 6 December 1977.

Awarding contracts on 14 December would keep the convention facility - to be called the Ohio Center - relatively on schedule toward a mid-1980 completion, according to Tipton.

On 14 December BCC approved convention center contracts totaling \$32,300, with about one million dollars more budgeted.  $^{45}$  Simultaneously trustees officially named the facility - Ohio Center - and adopted a logo. With official groundbreaking ceremonies set for 27 January 1978, Galbreath and Company planned to start work as soon as BCC lawyers approved the contracts. One remaining obstacle was the removal of the railroad tracks which ran through the site. Another was that some trustees were dissatisfied with the contract. They were concerned that the center now was projected to cost one million dollars more than BCC had funded for. Earlier estimates for the facility were approximately \$29.3 million. A Galbreath representative assured them that careful selection of alternate bids for electrical, heating, air conditioning, and other systems would cut one million dollars from the cost. But trustees were wary and wondered why the cost was higher than Board members had not been given prior projections. indications of what the contract totals would be. But with the explanation that perhaps one million dollars could be

<sup>45</sup> Columbus Citizen-Journal, 15 December 1977.

pared from the total, they voted 7-0 (Galbreath was absent and the labor official left before the vote) for approval. Meanwhile Galbreath and Company would begin work during the last week in December 1978. Also BCC had operating reserves of nearly two million dollars to absorb losses during the first few years of the center's operation. 46

As 1978 began, groundbreaking was "go" for But if one million dollars couldn't be cut by mid-March from the \$32.2 million guaranteed maximum cost contract, the contract could be cancelled. 47 Tipton's response was that he would not return to "Daddy" (BMI) for more money since that organization had "already given a hand some sum. " Also at the time, he estimated BMI's \$37.2 million donation had grown to \$41.7 million. Also during this time it was revealed that the board's concern in the 14 December meeting stemmed from the fact that Tipton had unexpectedly sprung on them the recommendation for the "guaranteed max contract." In response to that overture, Tipton wrote a letter to the board members on 19 December informing them that "In reviewing (the board meeting) I believe that my presentations on the ...contract and its impact upon our overall BCC financial status was, at hest,

<sup>46</sup> Columbus Citizen-Journal, 16 December 1977.

<sup>47</sup> Columbus Dispatch, 8 January 1978.

somewhat confusing." He asserted that at the time of the meeting, he had received no contract from Turner, Galbreath had Turner's "expression for willingness to enter into the contract for \$32,249,300. "Hence, it was not possible for our lawyers to have reviewed the contract nor to have presented it to the board beforehand." Tipton went on to assert that if the board had delayed acceptance of the contracts, which already exceeded estimates by 10 percent, many of the bids would have been subject to escalation clauses. He also said the BCC budget estimate convention center construction had been \$29,233,000 with an additional \$2 million budgeted for investment proposed hotel. The hotel's two million dollars was shifted to the center after the higher bids were received. But this still left the budgeted funds more than one million dollars short, he wrote. Tipton also explained "The initial financial exposure of BCC is not great during the first 90 days" of the contract. And if need be, he said, the contract could be voided by paving Turner "for the cost they have incurred at the date of termination, which would consist mainly of excavation costs." With BCC again under fire, board chairman Heffner stated

I think you ought to do a little positive thinking instead of negative thinking. We want to wring a million dollars out of it and that is just a normal calm and prudent thing. Our going in position was that we don't anticipate any of the

space going out at all... Think we're pretty cotton-pickin' close in the ball park when all you have to do is wring out \$1 million. I think we can do it.

That past August Heffner had said

All the dollars we've (BMI) given away have kind of put a crimp on the cash flow... The \$80 million (in "charitable donations", we've had to distribute kind of tap anybody's checking account. If you'd see our latest report, then you'd be rockin around with a tin cup nelping us... We anticipate there would be no money (from BMI) and there would be no need for it... We're going to do the job we set out to do with the dollars we have available. (That) will leave us with several million in reserve for operating deficits we anticipate in the first years of operation. If you find many companies as liquid as we are, Columbus would be a bigger and progressive town.

At that time, one who had many years of experience with multimillion dollar projects said

It's possible they can trim off a million dollars while they're building it, but chances are vou'll add more than that by things that were left out. It's very unusual that you cut a million out of a contract on a job that complicated without having that offset by a lot of additions. The guaranteed max doesn't necessarily mean that's the final cost...maybe it'll work out.

But despite continuing difficulties, A. Charles Brooks, with John W. Galbreath & Company continued with planning. 48 On 11 January, the firm announced that drawings of the proposed hotel would be presented at Battelle Commons' upcoming board meeting. Brooks said in preparation

<sup>48</sup> Columbus Dispatch, 11 January 1978.

"We'll show them what we want to build and the cost." Schematic drawings of "everything," including the hotel's layout, looks and room design, will be offered. Previous descriptions of the hotel indicated it would contain 14 floors, just over 700 rooms, and would cost about \$33.5 million. Meanwhile Brooks declined to comment on the accuracy of those figures until after Battelle Commons trustees saw the schematics. If preliminary drawings were approved, the hotel developers would move to working drawings and possible financing arrangements, he added. Brooks wouldn't say if potential hotel financiers were "waiting in the wings" for the schematics to be approved, cautioning "one step at a time." Meanwhile, groundbreaking, for the convention facility had been delayed again, from 30 January til 10 A.M. 3 February. Having been earlier rescheduled from 27 January, to 30 January, the new postponement was necessary to permit officials, including Mayor Tom Moody, to attend. Turner Construction Company, general contractor for the Ohio Center, would be signing its first subcontractors shortly according to Tipton. Tipton said the general contract with Turner, to erect a convention center for no more than \$32 million was signed 5 January. BCC had budgeted approximately \$31 million for the center.

Stipulations agreed to by Turner and BCC called for \$1 million to be sliced from the contract within 90 days by selection of alternate systems and other cost cutting moves.

Thursday morning, 12 January, BCC trustees approved plans for a 660-room, 20-story hotel at an estimated total cost of \$34.5 million. 49 Originally, the hotel had been planned for 700 rooms. The 660 figure, Brooks said, represented "an acceptable compromise" between the designers and the Hyatt Corporation. Brooks said Hyatt was "ready to enter a management contract for the hotel." The next step would be to secure financing for the hotel, Brooks added. Brooks told the board, the hotel could be started in June. All nine trustees were present, and eight approved the preliminary drawings. Daniel M. Galbreath later told a news conference although financing for the hotel "is on the back burner now," several major insurance and investment firms have shown "a great deal of interest in this project." Approval of the drawings meant the next steps were to sign a letter of intent with a hotel management firm and then present firm figures to potential mortgage lenders. Galbreath said he had "\$4 or \$5 million in equity money" - the difference between the mortgage and full hotel cost, already lined up. "You're going to see

<sup>49</sup> Columbus Dispatch, 12 January 1978.

something different than you saw several months ago." response to the delay in formal groundbreaking, Brooks said, "We're under construction right now." Brooks said surveyors were already on the site, and "depending on the weather we'll be pushing some dirt, regardless of when you hold your Grover C. Heffner, BCC board chairman, ceremonies." explained the latest delay in the ground breaking was caused by various dignitaries who had been invited to the occasion but couldn't be present until February 3. Paul Werth Associates, Inc., would be in charge of the ceremonies, and had scheduled the ground breaking for 10 a.m. festivities planned, Brooks informed the trustees he hoped within 60 days to be able to recommend how \$750,000 could be pared from the \$32.2 million quaranteed maximum cost contract the trustees had signed for construction of the center itself.

But alas, the sports arena concept remained as it surfaced also in January when a sports arena advocate took the first legal step toward forcing a citywide June vote on a \$29.5 million bond issue for a 20,000-seat indoor arena. The advocate officially requested the city attorney's office file suit against the City Clerk. The suit's purpose was to force commission of the sports arena ordinance adopted by

<sup>50</sup> Columbus Dispatch, January 1978.

City Council in July 1977 to the county auditor certification of a millage rate. It also would compel the clerk to forward the ordinance to the Franklin County Board of Elections for submission to the voters. The request to the city attorney was prescribed by Section 73 of the City Charter and Section 733.58 of the Ohio Revised Code, which ordered the city attorney to file suit against "any officer, board or commission (that failed) to perform any duty required by law." The contention was that the City Clerk and City Council were required by law to submit the \$29.5 million question to the voters because all initiative petition requirements had been met by the citizens' group for a sports arena. That group presented 12,301 signatures on initiative petition forms to the City Clerk's office on 11 July 1977, and the group wanted the issue on the November 8 ballot. The board of elections had verified the petitions had the minimum number of valid signatures required, and the City Clerk said charter requirements for initiative petitions had been met. City Council, as required by charter. adopted the initiative petition and solicit...the county auditor for certification of a millage rate within 110 days of the November election. The state's Uniform Bond Law stipulated proposals authorizing municipal debt must be submitted to the county auditor at least 1.10 days before an election so a millage rate could be

determined That deadline for submitting the ordinance to the county auditor was 20 July. "We believe that council had time between their meeting on 20 July, when they knew our signatures had been validated and the 110-day state bonding requirement still could be met, to complete adequate studies prior to the 1977 November election," the citizens' group official said. "The months of August, September and October of 1977 could have been used to finalize studies which would have made it possible for persons to vote intelligently on the issue in the November election," he explained. councilman who disagreed, maintained there was insufficient time to do the studies. Since then, a Sports Arena Task Force had been formed by council and it had authorized studies to be made. "We recognize council's right to conduct studies for the purpose of providing the electors with pertinent information, but strongly object to political process being abused, " the organization's official He further charged city officials were setting "a said. very dangerous precedent depriving citizens of due process after filing an initiative petition in compliance with all regulations of the City Charter." If the city attorney didn't act within 10 days, he would institute a taxpaver's suit as prescribed in Section 74 of the City Charter and Section 733.59 of the Ohio Revised Code. He also cited sections of city and state law which quaranteed he would be reimbursed for court costs if he is proven correct. Resides visiting the city attorney's office, the concerned citizen sent letters to the mayor and City Council members informing them of his intentions. City officials had opposed his efforts, they said, because they believed any arena should be funded countywide rather than citywide, they questioned its price tag, and they believed numerous feasibility questions were still unanswered.

Friday, 3 February 1978, about 10:25 a.m., ground was broken for the new Columbus Convention Center finally, as public officials and community leaders of all ranks mingled and shivered in the cold. 51 Thus construction had begun. The "official" ground breaking for the Ohio Center got under way as Columbus Mayor Tom Moody; Daniel Galbreath, coordinator for the convention and adiacent construction; and Grover C. Heffner, chairman of BCC board of trustees stood beside the giant scoop of a shovel. Master of ceremonies for the event was Grover Chester In the short ceremony, Heffner, BCC board chairman, in his role as master of ceremonies, lauded BCC and the BMI contributions to the project. BMI president Sherwood Fawcett also attending, said in a speech, that Heffner's comments reflected favorably on Heffner's job

<sup>51</sup> Columbus Dispatch, 3-4 February 1978.

security. In a rare public appearance in connection with the center project, and speaking on behalf of organizations 6100 employees worldwide, he extolled BMI's \$36.5 million munificence. But he didn't mention the legal history behind that day's event. Fawcett felt the project "much more than a convention center... It will be a place for community activities...a terribly complex construction project...a project which will break even and eventually operate at a profit. " Mayor Tom Moody managed to capture the spotlight at the expense of Tipton though, by commenting solomnly, "I'm glad to see this day." Congratulating Tipton on his accomplishment, the mayor said with sympathy, "Clyde, I've come to know what criticism is." "But you have managed to keep the BCC ground breaking on the front pages of the newspapers, and on the radio and television, for three years." "You did it." The mayor's comments were followed with considerable laughter and applause. In a fitting gesture, Heffner had Tipton to lead the crowd to the breaking site. Thereafter, the scoop was plunged into the ground and lifted back up, and to oblige photographers, the maneuver was repeated several times.

The official groundbreaking for the Ohio Center had taken place with "everything but the elephants," according to a government official. <sup>52</sup> Spirits were high, and with the city having undergone poor weather and strikes in the past few weeks, the event appeared as the first positive note for BCC in 1978. But to many, the probles-plagued construction might still have some troubles ahead. One of those involved the proposed sports arena. Initiative petitions seemed to demand a vote on the matter and this could lead to entanglement. And — as far as the public then knew, at least — the dimensions and operation of the hotel were still undetermined. The hotel was essential to the development, many felt, and hopefully its construction would also be started soon.

Later, in an unexpected turn of events on 21 February 1978, Clyde R. Tipton, Jr., with tears in his eyes, resigned as president of BCC. 53 Tipton submitted his resignation to the board shortly after being re-elected to a one year term. President of the non-profit development corporation since its formation in January 1975, Tipton explained completion of planning and the beginning of construction were the reasons for the resignation.

<sup>52</sup> Columbus Citizen-Journal, 4 February 1978.

<sup>53</sup> Columbus Dispatch, 22 February 1978.

moves into the next phases of activities (the actual construction of the Ohio Center), I have determined that the organization can be better served by a new president who brings to the project dimensions and skills different than mine. I just felt that since ground has been broken and the project is underway, it would be best, for the long term of BCC, to have a new approach...Certainly, it wa s an emotional moment...I think, despite some adverse comments that we've been less than full-speed ahead, that done a credible job anđ I'm proud, naturally, I'm proud.

Shortly after, Grover Chester Heffner, BCC Board chairman announced the board would contract the Cleveland executive employment firm of Hedrick and Struggles, to recommend prospective candidates for the job. Heffner expected the board would pick a successor "probably by April." Tipton's estimation was the replacement process would take two to three months, and he would remain with the organization to help orient his successor. Although he would return to Battelle Memorial Institute, he had no other job offer and had not formulated plans for his future career. Heffner said

We'll be looking for someone who has experience in convention center operations. There was no pressure from the board for him (Tipton) to quit. I have great respect for him, and we are not unhappy with the progress he has made with the project.

Neither of the two, Tipton nor Heffner, would venture a guess on whom Battelle Memorial Institute (BMI) president Sherwood Fawcett would appoint as a trustee to take Tipton's place. Although Heffner would say that while BMI would make

the appointment, Tipton's successor would probably not be president also. Heffner also didn't believe Tipton's resignation would result in any drastic revision in the plans for the center.

Tipton, however, did depart with some degree of face saving. For prior to presenting his resignation to the board, in its annual election meeting, he was re-elected to a one-year trustee's term. Heffner, a close associate of Tipton's had no plans to step down. In that meeting all other board members were re-elected as were the firm's corporate officers. Also in that meeting, a Galbreath representative reported additional reductions in the estimated \$32,249,300 cost of the center structure. The new reductions had lowered costs to \$31,315,800, taking \$704,900 off the original projected cost for center construction.

In the aftermath, Clvde Tipton, Jr., was proud of what he'd accomplished, although he would admit there were probably other people better qualified than himself to make the civic complex work. 54 Upon resigning he stated

My immediate plans are straight-forward... I didn't resign this job to take another position. I'm resigning because I felt it was for the good of the company... It's got to run and it's got to run successfully... Clyde Tipton might be a nice guy and not without qualifications, but there's a heck of a lot of other guys around who know more about

<sup>54</sup> Columbus Dispatch, 23 February 1978.

this business than I do, so I decided to get out. It's like your own children. As a parent, you do everything you can for them when they're growing up. But when they graduate from high school, you send them off to college or jobs or other things where they can better themselves on their own. That's kind of the way I feel about this. I feel a new quy will bring some scales and dimensions to the job that I don't have...My major problem was I could not appreciate the complexity thing...I knew the city and the state would be involved, but who could have predicted problems that we've had with Penn Central and that Penn Central would go bankrupt?..I'd be less than honest if I said I'm not darn proud of what we've done...We created a whole new company out of whole There wasn't any prototype. We started We'd like to have done things from scratch. faster, of course...Given the same script with the same knowledge, I'm not sure I would do anything differently than I did... Most of the things we did appeared to be reasonable and reasonably pragmatic at the point in time we did it. I am by nature an optimistic person.

Tipton cared and was also apparently aware earlier that he would "resign," for in December 1977 he had prepared a five-year "white paper" and presented it to the board to map out the center's future. Power had converged. The crisis of trust and confidence had ended.

As the month ended, Lawrence R. German, corporate director of personnel development for BMI was named to the board of Battelle Commons Company to replace Tipton. 55 German would fill out Tipton's term, which expired in February 1979. German was appointed by Sherwood L.

<sup>55</sup> Columbus Dispatch, 2 March 1978.

Fawcett, BMI president, with the BCC board's approval. Battelle still reserved the right to name three of the nine trustees. Commenting on German's appointment, BCC chairman Grover C. Heffner was careful to point out German would be a trustee and not president. "It means that the new president will not be a board member." The new president would be "someone with operational experience and who is close to development." "He ought to be someone who can walk on water."

## Summary

The period between June 1977 through February 1978 would be a major turning point for the future of the Ohio Center. Significant aspects of that period and lessons learned were summarized in this chapter's "Interlude." To continue, on 3 February 1978 ground was finally broken for the center, four years after the "Battelle Alternate" was conceived. Incident to that event, BCC President Tipton, in the eyes of various interests in the community, would not be a master of applying for grants, would not be a superb manager and technocrat, and would not serve well as a major link between the public and private sectors. He was not the master at holding a coalition together nor perceived as skilled in the greatful art of compromise. As a consequence he would "resign voluntarily" in February 1978. The choice among alternatives would be Galbreath and Company. Policy had been legitimated. In August 1977, the policy decision was announced that that firm would "coordinate and interface" the entire convention center complex. Policy decisions are announced in forms other than ordinances or mayoral speeches.

## Chapter Seven

WILLIAM B. LILLYMAN: A NEW MAN AT PROJECT OPERATION MOST

An acre of performance is worth the whole world of promises.

James Howell

## Concerted Activity

At the end of the first week in March 1978, planning the center's hotel continued. While a review of the proposed Ohio Center hotel by the Capitol Square Commission was canceled, plans for the structure remained basically the same as those approved by BCC on January 12, 1978. A. Charles Brooks of Galbreath Company announced commissioners postponed the meeting because Daniel M. Galbreath, principal officer in the firm headed by his father, could not attend. "We presented it (the hotel) to the commission once and members asked us to come back for another review. We intend to," Brooks noted. At this time Galbreath was "working closely with Hyatt (Hotels) nearly every day." No contract had been signed for the chain to manage the hotel yet but Brooks indicated "as far as we're concerned, it's Hyatt."

T

l Columbus Citizen-Journal, 3 March 1978.

make sure we have an interior design acceptable to them," he added. Brooks was also optimistic about financing. It seemed that a few national insurance firms might offer to advance mortgage money for the hotel's construction. Estimated cost of the hostelry was \$34.5 million. "We're trying to define the first mortgage and the (remaining) equity," Brooks stated, also saying "They're quite interested in making an offer." The actual amounts and terms of the loan remained to be decided. Brooks would go on to deny local speculation though, that local financial institutions had once again become actively interested in lending the mortgage funds.

Meanwhile a Galbreath Company staffer announced he would not apply for the job vacated by Tipton. The staffer who had in the past been executive director of the Columbus Metropolitan Housing Authority (CMHA) and upon joining Galbreath several months ago, was mentioned as a potential successor to Tipton. Forces in the community had begun to mobilize before February. In fact in early November 1977, the staffer had been hired by the Galbreath Company to assist with development of the Convention center, according

<sup>&</sup>lt;sup>2</sup>Ibid.

newspapers. The staffer had exited CMHA after a dispute with his board over management methods in September 1977. Upon joining the Galbreath Company he announced he joined a team which would work with BCC on the hotel's development. Hired by CMHA in June 1977, he had once been deputy director of Mid-Ohio Planning Commission. As now concerned the position as BCC president, the staffer stated in early March, "I'm not joining to be a candidate." "I was interested, but that was before I came here (to Galbreath). "I'm learning too many things here and it's too good a job," he said.

Meanwhile, retail space in the center was being leased at a rate ahead of schedule according to Tipton. We have probably 40 to 50 letters of intent, and we'll be converting some to leases in the near future. But that doesn't mean we'll have that many leases," he announced. Also by mid-March, work was going forward on the Third to High streets connector, one of the first major construction projects of the Ohio Center. As the third week of March ended, activities were proceeding so smoothly with the

<sup>&</sup>lt;sup>3</sup> Columbus Citizen-Journal, 5 November 1977.

<sup>4</sup> Columbus Citizen-Journal, 3 March 1978.

<sup>5</sup> Columbus Citizen-Journal, 16 March 1978.

Galbreath Company now in control, Board President Heffner announced BCC's March meeting was cancelled because there was nothing of importance to discuss. 6 The next meeting was scheduled for 18 April. Rancorous conflict is neither good nor bad in a community for its impact may range from destructive to creative. It may on the one hand tear apart and immobilize cities or lead to cartharsis. On the other it may point out the need for change. It is often creative when grievances have surfaced and as a result stimulated the of (or different) leadership and more emergence new effective policy direction. Sometimes new or "established" political forms are born or re-emerge to enhance citizen satisfaction and confidence.

Meanwhile the nationwide search for "someone who can make things happen" as BCC president was well underway. 7 Heidrick and Struggles had orders to find someone with managing convention center in and facilities. The new overseer would be tasked with operating and marketing for the center. At the time, neither the executive employment agency nor BCC would information on the cost of the search or the new president's salary. The manager of the agency announced "Anytime you're

<sup>6</sup> Columbus Dispatch, 22 March 1978.

<sup>7</sup> Columbus Dispatch, 21 March 1978.

looking for someone dealing with assets and people, you're looking for someone who can make things happen. things happen is still the most important job qualification." While BCC wanted "Mr. Ideal," both Heffner, BCC board chairman, and the executive-employment firm's official were emphatic that the specific job qualifications they devised would not be binding. Also both would keep quiet about salary details and the employment firm's fee. Tipton's salary which had never been disclosed, had been long a rallying cry for those in the opposition. there appeared to be general knowledge that depending on authorized expenses, the salary ranged between \$50,000 and \$60,000 annually. Heffner nor the hiring firm's officials would make the salary and the hiring fee public knowledge for the reason it might hinder the new president in his job. "We want him to start with as clean a slate as possible," the agency head stated. "To cite a specific figure would be misleading," he noted while adding "It might have an adverse effect on how the community looks at the man in the job." He continued, "We're trying to optimize the guy's chances of success." Heffner, cautiously commented, "I don't want you to mousetrap me into making it impossible to get the best man available." It was revealed, however that Heidrick and Struggles' fee would equal 25 to 30 percent of executive's first-year salary plus telephone and travel

expenses associated with interviewing candidates in the national search. The search, according to the agency's president was targeted at 100 to 200 potential candidates. The information needed was job interest and qualifications. Potential candidates would be identified by examining professional and trade publications which listed people in such jobs by using contacts in various fields, and by asking people in the industry about likely candidates. Advertising wouldn't be done, and the candidates would not be told immediately that the job was to be with BCC. At this time Heidrick and Struggles had narrowed the field of candidates down to 10 or 15, the firm's president said. From this number, the best three or four would be selected and sent to BCC for a final interview. One important criterion this time was the new president must have experience in the "hospitality industry." Tipton, a former BMI vice president had no such experience. Also, the new president wouldn't be a member of the BCC board of trustees.

Following several years of delay and revision of plans, ground had been broken, and the convention center building expected to cost \$31.2 million was underway. The hotel, expected to cost \$34.5 million, and convention center were forecast to be completed by Spring of 1980, according to a BCC prospectus.

By the end of March 1978, new shapes were taking form at the old Union Station site. 8 Telephone lines were protected in the construction site area, stone piers of the old High Street viaduct were partly dismantled, a new concrete pier carried the new viaduct, and piers were in place for a road connecting High and Third Streets.

By mid April 1978, owners of three small retail stores became the first to lease space in the Ohio Center's planned shopping area. Plant Clyde Tipton, still president of BCC, predicted the leases would be the first of "a steady stream." BCC plans called for 50 to 60 stores and restaurants to link the center and the proposed adjacent hotel. The Emporium and Unique Things were the first retailers to sign leases. Hill Sign Company had leased space for a gift boutique shop. According to Tipton, six additional store owners were close to signing leases. "With the first leases I think we'll get some additional interest, people will realize they can be signing up," Tipton announced.

Meanwhile, Ohio Center building was on target for its mid-1980 completion, according to the BCC official. <sup>10</sup> The

<sup>8</sup> Columbus Dispatch, 30 March 1978.

<sup>9</sup> Columbus Citizen-Journal, 13 April 1978.

<sup>10</sup> Ibid.

next critical date for the project would occur in mid-June, when the removal of ConRail tracks must be completed to facilitate construction of the basement parking garage. Tipton stated, "Great cooperation" among BCC, Columbus city government, and ConRail had overcome winter weather delays. The problem they were involved with concerned existant railroad tracks which ran through the planned center site seven feet above the lowest grade of the two-level garage. "It's a low, 10-foot span, so it's critical they (the tracks) be out of there" to allow construction to proceed, Tipton explained. A city hired contractor would prepare a new roadbed for the tracks to be located north of their present location. ConRail would do the actual relocating, and already in place was a concrete crash-wall to separate the relocated tracks from the convention center. Also parking garage excavation was under way, and support girders for the elevated Third to High streets connector, which would run through the site, were being erected. addition, the new North High Street viaduct was being constructed. With the project's implementation now smoothly progressing, Tipton announced design development drawings for the hotel would be presented at the next BCC board meeting. A. Charles Brooks, of the Galbreath Company, announced the schematics would be refined versions of those seen previously presented to the board. Included in them

would be an elevated walkway to serve as a possible hotel connection. Underneath the walkway would be a portal park to be constructed by the city just across relocated Naghten Boulevard from the hotel. Galbreath Company plans also included consultants' recommendations for four elevators to serve the hotel. BCC trustees had wanted to know if more would be needed. Trustee's doubts about the hotel's proposed tinted glass skinned exterior would be answered as well. Brooks also announced Hyatt Corporation had submitted a management form which was presently being reviewed by the Galbreath Company. The form, however, wouldn't be presented to Battelle Commons trustees' for approval at the next meeting, as Hyatt and Galbreath officials were still negotiating. Brooks announced also that there was no new information about the search for the \$34.5 million to construct the hotel. Having previously noted the firm was discussing the matter with several national insurance companies, he stated, "I still anticipate being into the ground (for the hotel) by the middle of the year - and that's not too far away." "Opviously you can't be into the ground without financing," he concluded.

As the hotel planning process continued, Daniel M. Galbreath told BCC trustees in the 18 April board meeting that Aetna Life and Casualty Company appeared anxious to

finance finance construction of the hotel. II Good news comes in batches, for he went on to announce, "Two other big lenders are in the same ballpark" with mortgage proposals for the convention center companion. He would identify the interested financiers as Connecticut General Life Insurance and Prudential Insurance Company. "We met at length Friday (14 April) in New York with Aetna, "Galbreath revealed. "They presented a mortgage and equity package we've been shooting for, but before we left they offered to do (even) better." The "ballpark" figure was an approximate \$27 to \$27.5 million mortgage package and \$8 to \$8.5 million in equity financing. "Now it's important for us to make a decision on who we'd like to see as equity owners," he stressed. In support of a Galbreath recommendation that equity financing be provided locally, the BCC trustee from Nationwide Insurance, pledged \$2 to \$2.5 million from his organization. "And BCC, if we can afford it, should participate," he recommended. The other members of the board consented and Galbreath and the board's chairman would work on the details.

Galbreath also reported Hyatt hotels, which now appeared certain to manage the hotel, might also become an equity owner. And although local interests had not come

<sup>11</sup> Columbus Citizen-Journal, 19 April 1978.

forward yet, they too could get involved as equity participants in order that the project remain on schedule for the April 1980 completion date, Galbreath said. Financing details and working drawings for the hotel should be ready by June.

Also at the meeting, Heffner announced Heidrick and Inc., would soon submit Struggles, reports on candidates. Initially, it had been reported interviews by the firm would take a month, and then negotiations with the successful applicant would follow. At the Tuesday meeting, trustees also approved installation of a fluidized bed boiler to serve as the center's main source of heat. boiler could burn a variety of fuels such as natural gas or fuel oil. It would be backed with an auxiliary fuel oil boiler. A member of BCC's consultant firm of Kramer, Comer, Passe, and Racher, could not recommend the fluidized bed, however, since the boiler was a "prototype." The president of Johnston Boiler, Ferrysburg, Michigan, arqued persuasively, the method had been tested. The board approved the boiler costs of \$250,000 to be paid back in If successful, the less than two-and-one-half years. fluidized bed would burn cheaper low-sulfur coal. expensive additional pollution controls would not required. Also at the meeting, changes in the hotel design, describes as "subtle" by Prindle and Patrick architects, and recommended by Hyatt, were presented. The corporation had recommended a specialty restaurant and cocktail lounge be placed on the first instead of second level, and a glassed-in coffee shop and an atrium cocktail lounge be transposed to the second floor. Also an architect reported that white exterior materials for the upper floors of the six-sided hotel hadn't been selected yet. Bronze or "smoke" tinted, moderately reflecting glass panel was anticipated.

In mid May 1978, and on other fronts, attempts by convention center interests to obtain a "no-strike" labor agreement for the Ohio Center project failed. 12 The effort, quiet and behind-the-scenes and with widespread support, was terminated when Turner Construction Company executives decided not to formally request the agreement with labor organizations. The decision was apparently made by national level Turner officials who felt such an agreement might complicate labor relations elsewhere. As background BCC and Galbreath Company officials had requested a "no-strike" agreement from the National Building and Construction Trades Department of the AFL-CIO department. Having discussed the officials of Columbus 1 with Building proposal and Construction Trades Council in the past representatives of Galbreath and BCC then contacted the

<sup>12</sup> Columbus Citizen-Journal, 16 May 1978.

president of the AFL-CIO department in Washington, D.C. Anticipating no problems at the time, he supported the concept. In 1978, eight of the eighteen area building trades in Columbus were renegotiating contracts. ebullient over the possibility of a "no-strike" settlement, cautioned that the approval process was "a very involved procedure" for each local union plus the national must agreement. Columbus labor leaders endorse the concerned about the importance of completing the project in mid-1980 had begun mobilizing support for the agreement. Then Turner Construction Company made the decision not to request it. The Ohio Center construction project manager responded the suggestion "never crossed my desk. normally don't have something like this." Perhaps it was not needed for he revealed Ohio Center was an Operation MOST project. This meant that Columbus building trade unions and management had agreed to settle jurisdictional disputes without strikes. Project agreements usually pertained only to large government jobs.

As May drew to a close, Tipton was to make another proposal. 13 The proposal was made to a city councilman and suggested joint management of the Ohio Cenuer and the proposed sports arena. Touche Ross and Associates had now

<sup>13</sup> Columbus Citizen-Journal, 25 May 1978.

projected if the city built the sports arena, the arena would incur a first-year operating deficit of more than \$800,000. Also at this time sports arena backers had been successful in getting the proposed \$29.5 million bond issue on the 6 June ballot. 14 Touche Ross also suggested the Ohio Center and the sports arena could share parking revenues. Battelle would receive all parking revenues under the present lease agreement with the city, but if the two joined together in management and parking revenue for the two sites, the \$800,000 first-year deficit could be cut in half. As a consequence Tipton announced intentions to interest the councilman in renegotiating the present financial agreement between the city and BCC. The key points to be renegotiated would be parking revenue and joint management. The outgoing BCC president also expressed BCC's willingness to consider managing not only the convention center but the sports arena as well. He did feel, however, that BCC would have to be "very careful in its discussion" on parking revenues because BCC had to meet its own minimum parking revenue projections. BCC, according to Tipton, had discussed extensively with various interests the notion of a different lease agreement. Any change, though, would have to be approved by both BCC trustees and City Council. The councilman, chairman of the

<sup>14</sup> Columbus Citizen-Journal, 27 May 1978.

soon to be disbanded Sports Arena Task Force would discuss the offer at the next task force meeting.

At that Friday 26 May 1978 meeting, the Columbus sports arena task force endorsed the proposed \$29.5 million bond issue to finance a 20,000-seat indoor sports arena. 15 The vote was 5-0 to support the issue, with two members abstaining. The City Councilman who had pushed for the endorsement, then referenced the BCC proposal for renegotiation of its contract with the city. He argued that if successful, the sports arena might share in the parking receipts on the convention center site. Also, he noted, Battelle might agree to jointly manage both the center and the sports arena.

Meanwhile, an international bakery became the sixth tenant to lease space in the center's shopping mall. 16 BCC President Tipton announced the signing of a lease with Mandas and Sons, Patisserie for a bakery shop. Other lessees included Unique Things and the Emporium, two boutiques; You Name It, a custom-made sign and gift shop, the Tim West Pipe Shop, and a shoe shine parlor. All expecting to open in the spring of 1980.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

In the 9 June meeting of the BCC board, trustees heard progress reports on convention center construction, the search for a new president, and hotel financing. 18 Board trustees were informed first that work was 53 percent complete on the High and Third Streets connection. 32 percent of the Ohio Center foundation was complete. BCC board chairman Heffner announced presidential search committee had met three candidates and would soon meet two others. Priorities would be assigned to the qualifications of the interviewees within the next Dick Lasko, BCC vice president, reported the signing of the six leases and informed trustees negotiations were being finalized for 10 more and in total, details were being worked out on 20 of the 50 shops BCC had planned for the complex. Next, board member Galbreath reported application for first mortgage money hotel had been made, noting also that architectural plans should be completed by late July, and the first draft of a management contract had been sent to Hyatt officials. The board in other action approved contracts totaling \$3,554,220 for Ohio Center work. Pre-Con Company contracted for \$1,291,000 for architectural precast work, and Madias Balan, Inc., for \$1,155,920 for dry wall, painting and ceilings. The meeting was concluded with

<sup>18 &</sup>lt;u>Columbus Citizen-Journal</u>, 10 June 1978.

trustees approving \$23,560 for High-Third connector project contracts.

In June 1978, information was revealed building of the High-Third Street connector. 19 During 1976, Columbus Engineering Consultants, Ltd., (CEC) established criteria for the High-Third connector, taking into account the needs of many organizations and agencies. These included the City of Columbus Engineering Departments, the Mid-Ohio Regional Planning Commission, the Central Ohio Transit Authority, the architects for the convention center and railroad officials. hotel, Then the major configurations for the connector were established for Battelle to be followed by the decision to proceed on a "design-build" basis. The process required the contractor to provide design as well as construction for the project. Reportedly, the result was an estimated savings of three years from planning to completion. Then in January 1977, BCC requested contractual bids for design and construction. Having received several proposals BCC awarded the contract to the Kokosing Construction Company. CEC would serve as a consultant to Kokosing in design development. Construction was initiated within a few weeks with completion scheduled

Columbus Engineering Consultants, Ltd., 21 June 1978.

for the fall of 1978. The separated overhead roadway would connect the main east and west traffic arteries to the Ohio Center, and was supposed to unify the proposed facilities for the Central Ohio Transit Authority, a future AMTRAK station, and a Traffic Management Center for the Ohio Department of Transportation and the City of Columbus. Interesting aspects of the project were a pedestrian concourse, which would pass under the bridge and over the railroad relocation and passenger platform which also ran under the connector, and a \$3 million dollar price tag.

During the penultimate week in June, Galbreath appeared on the verge of completing hotel financing, and Nationwide Insurance Companies would apparently become a major lender for the proposed hotel sharing in equity financing with Hyatt Corporation executives and several others. 20 Heffner, BCC board chairman announced Nationwide would "come in with a pretty healthy amount." "But there will be other people, a consortium with more than Nationwide." Frank Wobst, member of the BCC board, also announced discussions were being held on the package, and predicted more information would be available within a week. He added it appeared "Nationwide and others would supply the equity," and some of these others, with the exception of

<sup>20</sup> Columbus Citizen-Journal, 22 June 1978.

Hyatt, could be local lenders. The planned 660-room hotel was estimated at \$36.5 million, with mortgage money, about \$27.5 million, expected to come from a major insurance corporation, probably Connecticut General. Eight million dollars remained to be financed as equity ownership capital. "There are a number of approaches. One spreads it (equity) more, the other keeps it to a very small group. I prefer the larger group, quite frankly," Wobst proposed. A senior Nationwide vice president for investments announced his company was placing itself on record as prepared to make the the hostelry. Commenting further investment in insurance official said "We're still in the process of working out details, the specific amounts. We will invest, provided all the pieces fit." He would consequently deny rumors that the decision to invest caused disagreement among Nationwide board members. But some felt Nationwide decided to make the investment because it had the most to lose if the center failed. The giant insurance corporation had recently dedicated its 40-story tower and plaza across the street from the convention center site. It also owned a great deal of property in the area.

As July arrived, Columbus could savor the fruits of some of its long planning efforts. 21 For Columbus was

<sup>21</sup> Columbus Dispatch, 1 August 1978.

building an \$80 million convention complex that planners believed might lure meetings away from Cleveland and other cities. The downtown Ohio Center was making innovations, one that Cleveland hadn't made. In addition to the center, an additional \$20 million in public improvements were being made in the area, paid for by a modified tax-abatement package. Moreover the exhibition hall and mini-mall complex would include a 660-room Hyatt Regency Hotel which it was announced would be larger than any hotel in Cleveland.

BCC vice president Lasko announced, "Frankly, we're going to take business away from Cleveland, Cincinnati and other cities." While Lasko had booked 26 events into 1981; Februarys, he said, were filled for 10 years. Also, the Ohio Center would open debt free, unlike competitors elsewhere. Lasko felt Columbus would successfully compete with larger facilities in Cleveland, Pittsburgh and Indianapolis, and with the comparable Cincinnati complex and the smaller Dayton center. In support, he announced, "We're a regional facility and can handle 95% of the business available to us."

As part of Columbus' success story, after early hotel development plans failed, John W. Galbreath Company lined up Hyatt, a successful operator of convention hotels. As related to Cleveland, Columbus' Galbreath had owned Erieview property for nearly two decades, and hadn't developed a

hotel envisioned by Cleveland officials. In 1977, Hyatt Regency proposed for that city by another developer for the city's lakefront was killed by then Mayor Dennis J. Kucinich. The mayor wanted the hotel built elsewhere, and without tax abatement. In Columbus, Ohio Center had full abatement on the new buildings for 20 years. Also, Brooks of Galbreath Company announced equity in the \$35 million Hyatt Regency - Columbus would be owned by Hyatt and several local investors to be announced later. Brooks felt if similar circumstances existed in Cleveland, a Hyatt could be built there. At one time, Brooks said, Stouffers' had considered a Galbreath site in Cleveland but decided to participate in converting the old Sheraton-Cleveland into Stouffers Inn on the Square. Across from Columbus' proposed new Hyatt sat Nationwide Insurance Companies. An incentive for that organizations' \$70 million project, also developed by Galbreath, was tax abatement. Nationwide had a unique arrangement though - it deposited an amount equal to its abatement in a trust fund each year for 20 years, and the city of Columbus could use that money to finance \$20 million in related constructions. The city was also creating a new park that might include seals, lions, or other attractions and would install a system of enclosed elevated walkways connecting Ohio Center, the park, and Nationwide Plaza. addition, a new High Street viaduct over railroad tracks,

the relocation of six sets of ConRail tracks through the Ohio Center site, the widening of one street, the building of another to connect with nearby interstate freeways, and adding street lights and landscaping were all ornamenting Columbus' Downtown. The abatement-trust fund concept is known as "tax increment financing." It had been used in California for 25 years and now was used in Minnesota and other states. The Nationwide-Ohio Center package was unlike anything done before in the state, according to Columbus' development director.

At the Friday, 21 July 1978 meeting of the BCC board, members were told the \$8 million equity financing for the hotel should be secured in about a week, according to board chairman Heffner. "Within the next week or so we expect to have all the front-end equity," Heffner noted. Galbreath had previously indicated that six to eight of the city's leading businesses and the Hyatt Corporation were interested. Based on Galbreath's report, Heffner said he expected no problems with the base mortgage package. This was to come from Aetna Life Insurance Company and would consist of \$27.5 million.

With the Ohio Center complex rapidly becoming a success story, an even more important announcement was made on 21 July. William B. Lillyman, then director of the Huntington, West Virginia Civic Certer had been elected

president of the BCC by the company's trustees to replace Tipton. 22 Lillyman would assume his new position in early September. According to board chairman Heffner, the board's interest was in a president with experience, one who could open a convention center and bring it through construction to the operational stage. Lillyman had served as director of the Huntington Civic Center since April 1975. position, he developed final plans and was in charge of construction of the center which opened in September 1977. Lillyman had also been director of the Hartford, Connecticut civic center from 1968 to 1975, playing a key role in site selection, facility planning, financing and operation of the center. He also worked closely with the Hartford Convention Bureau. As a small aside, the roof to the Hartford Center had collapsed under heavy snow on 18 January 1978, although it was no fault of his.

Interestingly, the local press had run a story on the Hartford Civic Center's collapse during the month of January, seven months prior to Lillyman's appointment. 23 According to the story, the roof of the Coliseum collapsed before dawn dumping tons of steel, ice and snow onto an empty arena. Six hours before the center was filled with

<sup>22</sup> Columbus Dispatch, 21 July 1978.

<sup>23</sup> Columbus Dispatch, 18 January 1978.

thousands of basketball fans watching a University of Connecticut basketball game. Nobody was injured, as 15 persons, most of them security officers, in a small adjoining section of the \$70 million complex, escaped unharmed. The game had ended at 10:15 p.m. and the roof collapsed at 4:18 a.m. A bitter mayor ordered investigation to determine why the three-year-old facility, hailed as one of the best, had fallen apart. "I don't think it was a natural disaster," he said, adding "It was supposedly built to handle New England weather. there was something wrong with how it was constructed. it happened after 15 years, maybe...but not after three years."

Returning to the present, though, the newly chosen president of Battelle Commons Company on the day of his new appointment, wanted to get the Ohio Center off the ground quickly to avoid escalating construction costs. He expected to assume his new position before I October and his first task, he announced would be to review all construction contracts for the center, including the proposed Ohio Center hotel. Since the previous week, Lillyman had made four trips to Columbus conferring with Battelle Commons officials on preliminary reviews of construction agreements.

<sup>24</sup> Columbus Citizen-Journal, 22 July 1978.

Commenting early he said

(5)

I found out it is a viable program with great potential... I plan to work directly on promotion, publicity and marketing. [I am] thoroughly committed to the growth of the central business district. It is my intention to get the project on-line and under way.

The day after Lillyman's appointment, the "fourth estate" stepped in. 25 Apparently the new president of BCC was prompted to resign in 1974 as director of the Hartford, Connecticut Civic Center following charges of wrongdoing. He regarded the charges as "petty and miniscule." Lillyman was considered a "top-notch guy" and "the best in the business" by his former and current employers. They too regarded the charges in Hartford as ridiculous. He said of the Hartford controversy, "I'm too good in my profession to continue with that kind of haggling...so I left. Replacing the often-criticized Clyde R. Tipton, the new president announced he was "thrilled with the prospect of directing plans for the Columbus convention center." describing the charges in Hartford as "an issue that's been put to body," argued in agreement with others that the man who inspired the allegations was after his job. "If I went back there, I would do it exactly the same," he would say. While an independent audit of Lillyman's work in Hartford

<sup>25</sup> Columbus Dispatch, 18 January 1978.

showed "poor administrative judgment" in some instances, it found no evidence to support charges he misused city funds. Nor did the audit show his independent dealings involved a conflict of interest. Additionally, a Hartford City Council fact-finding commission concluded in July 1978 that Lillyman was not responsible in any way for the engineering defects which caused the \$30 million Hartford Civic Center roof to collapse. When Lillyman resigned the Hartford city manager initially refused to accept the resignation, but Lillyman insisted on guitting a month later. The City Council also supported him and hired him for six months as a civic center consultant after his resignation. In August Hartford's City manager said Lillyman's "image has been damaged and his usefulness infringed upon. " An ex-public relations director for the civic center had made the allegations against Lillyman. As a consequence he was fired soon after Lillyman left. He subsequently filed a \$2.1 million suit against the city. According to Hartford's mayor, the "disgruntled employee," was Lillyman's job and leaked charges to the press." The major charge against Lillyman concerned conflict of interest He had done outside consulting work for the Philadelphia firm that designed the civic center alledgedly The audit exonerated him: he had permission on city time. from city officials, in writing, to o the work which he said took only one day. Hartford's city attorney also ruled there was no conflict of interest.

accolades for Lillyman far outweighed criticism that surfaced in Hartford, though. 26 The Cleveland executive employment agency that conducted the nationwide search for a new BCC president had thoroughly looked into the charges in Hartford. The official in charge of the search said, "We felt an obligation to look into that in sufficient detail to assure ourselves there was no blemish his record." He noted the charges "were of consequence," also pointing out Lillyman had a "very high reputation in the industry." The firm had found in Hartford that Lillyman played a key role in locating the civic center in downtown Hartford, a move that had significantly boosted business. Heidrick Struggles officials downtown and previously had said the new president should "start with as clean a slate as possible...to optimize the guy's chances of success." But the official predicted Lillyman would do an excellent job for Columbus. Lillyman, he reported was among the top two candidates of 200 looked at for the job. also reported his agency knew Lillyman had been offered the job in Huntington for some time before he decided to accept when problems surfaced in Hartford. Lillyman also received

<sup>26</sup> Columbus Citizen-Journal, 22 July 1978.

support from Huntington, and officials there were still trying to persuade Lillyman not to leave. "A shock wave hit town when he started working on the construction and design of our arena," the Huntington Mayor said. And the \$10 million civic center there "really got off the ground under Lillyman." The mayor supported Lillyman by saying he (Lillyman) was able to book events at the civic center that previously "weren't available to us at any price." "It's just unbelievable that he's leaving; we hate to see him go." In Hartford, additional and similar comments were made in Lillyman's behalf by city officials. "The city was sorry to see him resign. He was a proud man, " said one. Also noting Hartford city officials regarded the charges as "petty and miniscule," he went on to say it was unfortunate that the charges "undermined Mr. Lillyman's effectiveness. It was slander on his character." Officials contacted regarding Lillyman also blamed the folded Hartford Times newspaper for "blowing the charges out of proportion." The argument was that the newspaper, financially troubled, used the issue as a ploy to increase circulation.

Locally, the BCC board, well aware of Lillyman's background, gave little credence to the Hartford controversy. 27 According to the board chairman Heffner, "The

<sup>&</sup>lt;sup>27</sup>Ibid.

whole thing is ridiculous; all this over an office box lunch." He noted the board had "nothing but the utmost enthusiasm" for Lillyman. "He was the best man that we could find." Lillyman expected to begin work in Columbus in September, depending upon when a successor could be found for him in Huntington. "My primary of jective at Ohio Center will be in convention dollars," Lillyman would say. A key consideration in the convention center plans he also felt would be to stimulate further growth in the Downtown area. He also felt "there's a possibility down the road" that condominiums could be built near the complex.

Strong support also came from Huntington's press and city officials. After he announced that he was leaving for greener pastures in Columbus, Ohio, city officials, journalists, and others publicly lamented Huntington's loss, saying it would be hard to replace the talented administrator. <sup>28</sup> Perhaps a news commentary best captured the feelings in that city: <sup>29</sup>

The unexpected resignation of William Lillyman as Director of Huntington's Civic Center is a blow to the entire region. More than any one man...Lillyman can take the credit for making this area big time in entertainment...with bigger and

Huntington Advertiser, 26 July 1978; and Huntington Herald Dispatch, 23 July 1978.

<sup>&</sup>quot;News Commentary," WSAZ TV; Huntington-Charleston, West Virginia; 21 July 1978.

shows coming to both Huntington Charleston as a result. And Lillyman proved to be excellent administrator...accomplishing the unheard of feat of making a profit in a public facility...Benefitting all taxpayers. More than that, Lillyman cared deeply about the civic center and the public who come to various events there. He puts in long, long hours...He developed an excellent staff that performs efficiently...Another rarity in the field public employment. You just had to guess that a man that skilled would be lured away by a new and guaranteed financial challenge...and security for life. Huntington was fortunate to benefit from Lillyman's talents for a few years. His shoes will be big ones to fill. But we can hardly let him leave without paying him a debt of gratitude. He deserves a big thank from all of us.

Lillyman, who resigned from the Huntington facility on July 21, outlined his new position in Columbus during an international association of Auditorium Managers convention in Louisville in August. <sup>30</sup> He had been in the industry for the past 18 years, and had built an impressive track record, starting with his first building in Virginia Beach, Virginia and moving on to Monroe, Louisiana; Hartford, Connecticut; and then most recently, Huntington. At BCC Lillyman would serve as president and chief executive officer of BCC, overseeing operation and marketing for the Ohio Center. Tracing the unusual history of the \$37 million complex, noting that it was given to the city of Columbus by Battelle Memorial Institute (BMI), Lillyman said BMI had guaranteed

<sup>30</sup> Amusement Business, 12 August 1978.

the city that BCC would operate the Ohio Center for eight to ten years at no cost to the city taxpayers. As evidence of the promise to open debt free and remain in that condition, Lillyman said he would have a \$2 million fund to carry the building through its first three years of operation. "This money comes from the original grant," he stated. "We will positively have no bond to retire to pay for the building." Also explaining that for the past five years, BCC had a president with no background in the arena industry, "They finally got to the point where they wanted to look for a professional," he commented. Elaborating further, Lillyman said that his arrangement with BCC was very similar to that of the president of Hyatt Management Corporation which managed the Baltimore Civic Center, the Baltimore Visitors Convention Bureau, Louisian Superdome and the O'Hare Exposition Center in Chicago. In his new position, he would report to a board chairman, nine regular board members and two representatives from the political sector, who acted only in an advisory capacity. Reflecting that the board's composition was heavily weighted toward the community, including banking and insurance interests, he enthusiastically remarked, "I love the concept." effectively removes the political constraints that most managers must deal with daily." Lillyman also was profitoriented and had a commitment to developing the inner city

of Columbus. He predicted that within the first three years of operation, the Ohio Center "will be in a wash situation and conceivably making a profit." Moreover, since BCC was a non-profit organization, any profits generated would be plowed back into improvements for Ohio Center, he felt. Backing up the prediction, Lillyman pointed to Huntington: He brought the building in on time and on budget, and following its first full year of operation it posted a net profit after depreciation. Columbus, \$30,000 In Lillyman planned to actively co-promote and would operate its own box office and concessions departments. Saying the hotel would be financed by private investors and BCC would lease the retail units, he stated, "I see a real pattern developing," which started with HMC. "Now I no longer have to operate under the constraints I had before. I now answer to business leaders who are profit oriented. I have a feeling we're on the threshold of a whole new concept in this industry." Lillyman set three goals:

-get the building up and in operation.

-develop and market retail units.

-develop on-site condominums within the next 10 years to induce people to move back into the inner city.

In early August, Ohio Center had a new man coming on board in a month or so. On another positive note, A. Charles Brooks of Galbreath Compan announced a \$27.5

million loan from the Aetna Life Insurance Company of Hartford, Connecticut, had been accepted. 31 The loan hinged however on \$8 million from local investors to provide equity for the project. According to Brooks, Aetna was pleased with the equity package and "everything looks good." "It apparently looks like we're there," he said while declining to name the local investors. He wanted Galbreath to do it since "It's his baby." Galbreath, reportedly was out of the country.

Positive movement continued as bookings were being made for conventions at the complex. This indicated to some that Columbus would be much more competitive as a convention center city in the future with Cincinnati, Cleveland, Pittsburgh, and Indianapolis. Twenty-six events were scheduled for 1981, and officials felt the influx of more convention visitors to the city would boost the economy, not only to merchants in the vicinity of the center but in the entire Downtown sector. Nearly a decade had passed since Columbus voters approved the \$6 million bond

<sup>31</sup> Columbus Dispatch, 2 August 1978.

<sup>32</sup> Columbus Dispatch, 4 August 1978.

issue to purchase Union Station and railroad yards for the convention center complex. And while the finished product was not yet visual at this stage of development, structures were rising on the site.

As the ball kept rolling, Galbreath Mortgage Company confirmed on 16 August that it had completed \$27.5 million in permanent mortgage financing for the Hyatt Regency-Columbus hotel. 33 The loan with Aetna Life was made to the Ltd., Ohio Ohio Center Hotel Company, an partnership. Total cost of the luxury hotel was estimated at \$35.5 million. Completion of the equity financing and disclosure of the participants reportedly would be revealed on Tuesday 22 August, by Daniel M. Galbreath at the Battelle Commons Company board meeting.

As Lillyman prepared to take charge, it appeared he would do so with a dubious distinction: he had lived in two cities that had experienced similar snow disasters involving civic arenas. As previously mentioned, Lillyman in the past directed the Hartford, Connecticut civic center, where the 10,000-seat sports arena was destroyed. Coincidentally he was moving to a city where a similar disaster had taken place. The Columbus Auditorium frequently used for sporting

<sup>33</sup> Columbus Citizen-Journal, 17 August 1978.

<sup>34</sup> Columbus Dispatch, 10 August 1978.

events, with a capacity of 8,000 and built in 1897, was at the northeast corner of Goodale and Park Streets. On 4 February 1910, and later that night following a wrestling match, a heavy snow fall occurred. The load proved quite heavy, and the timber roof collapsed with "a long, rolling crash."

By mid-August, BCC had added two more businesses to the list of tenants for the 75,000 square foot, 50-shop retail mall planned for the Ohio Center convention complex. 35 Outgoing president Tipton announced that Gordon St. John Ltd., one of Columbus' top-line men's clothiers, and the Lynn Drug Company, a Columbus-based pharmacy chain had signed. The two additions raised to 11, the number of tenants committed to occupy shops, boutiques, restaurants, or entertainment facilities in the convention center. Also announced was ownership of the Ohio Center hotel would likely be a partnership by prominent Columbus businessmen. 36 Apparently the remaining \$8 million equity ownership would be split among the holding companies of City National, Huntington National and Ohio National banks, Nationwide Insurance, Lazarus or the Federated Department Store chain and Hyatt. While asked about the equity participants named,

<sup>35</sup> Columbus Citizen-Journal, 15 August 1978.

<sup>36</sup> Columbus Citizen-Journal, 18 August 1978.

president Clyde R. Tipton, Jr., said "That's not inconsistent with some things I've heard, but no one had said to me, that's that package." Frank Wobst, president of Huntington National Bank, and a BCC board member, also hadn't seen the completed financing arrangements. "We indicated six or eight weeks ago we'd be interested in participating and assume we will if the circumstances are right," Wobst noted. He agreed hotel financing had become "a community project," for

More than anything else, one delaying factor in the hotel was the difficulty in finding equity investors acceptable to all groups involved that had sufficient cash. As BCC we wanted the right ownership and a long-term commitment to the city. Getting a number of leading local corporations involved demonstrates the community commitment.

## Consensus on a Community Project: Local Equity Investors with Sufficient Cash

At the 22 August BCC board meeting, it was revealed Downtown economic interest would own small-sized pieces of the Ohio Center hotel. 37 At the meeting Brooks of Galbreath Company unveiled the list of equity investors. The investors approved by Hyatt and the Galbreath Company, included no surprises, and several BCC board members headed the businesses involved. As previously mentioned Aetna Life Insurance of Hartford would lend \$27.5 million. Daniel

<sup>37</sup> Columbus Citizen-Journal, 23 August 1978.

Galbreath, consultant for several months now had been negotiating for the mortgage and guity package. The other major agreement reached was as follows. The A. N. Pritzker family of Chicago, principal Hyatt stockholders, and the Galbreath organization of Columbus would be general partners in the hotel. As general partners, they would assume unlimited risk for the development and its future.

The complete list of equity investors, the amounts they were contributing, final hotel drawings and lease would not be presented until the September 26 BCC board session though. Suggesting there would be no changes in the 660-room hotel, Brooks also remarked, "We're quite pleased to report the financial package has been accomplished without reservations," and "The equity package is a limited partnership, with two general partners, the (A. N.) Pritzker family or its representatives and the Galbreath family or corporation." Brooks expected limited partners to include

- .Nationwide Insurance
- .First Bank Group (CNB)
- .BancOhio/Ohio National Bank
- .Huntington Bancshares (Huntington National Bank)
- .Borden, Inc.
- .Federated Department Stores, Inc. (Lazarus)
- .Buckeye Union Insurance
- .State Auto Mutual Insurance Company

- .Columbus Mutual Insurance Company
- .The Ohio Company

.BCC

Along with Pritzker and Galbreath, Nationwide might be one of the leading investors, as board chairman Heffner joked with a Nationwide official during the meeting about Nationwide's \$3 million share. Brooks also pointed out "We asked two or three others (to invest) because of the community nature of the project. If they agree, we'll announce their names in the future." With financing nearly completed; Brooks anticipated a construction contract from Turner Construction Company by the end of September and start of construction by 7 October. According to BCC vice president Lasko the multi-million dollar complex was scheduled to be in operation in May 1980. And following a convention "shakedown" period, the first convention would be held in August 1980. Lasko also reported to the board, 32 of the center's first 60 weeks of operation were booked. Also 11 retail stores had been signed for the Ohio Center, with three others near final agreements and 12 more in preliminary stages of negotiations. "We're doing very well for this time. We've got about 30 percent of the (retail) floor space leased," he said.

A general, soon to be without an army, outgoing BCC president Clyde R. Tipton, Jr., informed the trustees in one

of his last acts, various adjustments in the contract for the center had reduced construction costs to \$31.36 million, in contrast to the \$32.25 million approved by the board in December. He did emphasize though the cost could fluctuate during the course of construction. At that meeting trustees approved in principal Hyatt's management agreement for the hotel, calling for a 80/20 percent split of profits, the larger share to the owners, learned reopening of North High Street was still about a year off, and were informed relocation of railroad tracks through the site had been delayed again, until 15 September, but that work continued around them.

hotel financing nearly completed, Lillyman if he hađ his way, conventioneers announced. and flocking suburbanites would soon be to Downtown the Ohio Center convention complex. 38 revitalized by Scheduled to take charge on 18 September, he decried arguments which contended the center's multipurpose building was designed too small, saying "I expect the project to be successful or I wouldn't have taken the job." experience he had watched new civic centers generate "all types of growth in the peripheral areas downtown." "I've been in the industry 18 years, and I'm committed to the

<sup>38</sup> Columbus Dispatch, 8 September 1978.

central business district," Lillyman commented. On the too of his agenda when he arrived would be beefing up the management staff with financial and marketing people, starting to work with the Columbus Convention and Visitors Bureau to attract convention business and reviewing the construction plans to see if "a good project can be improved He anticipated any improvements would be "very minor," and was "definitely not" considering expanding the multipurpose building. He also planned to market the space already panned in the center, and would consider expansion a possibility only if business was good enough to warrant it. When finished the \$31.36 million multipurpose building would have 65,000 square feet in the balcony, and the \$35.5 million hotel would have 660 rooms. One of the best features of the complex according to Lillyman was the hotel's connection to the convention hall. Convention goers, he explained, didn't like to have to travel a few blocks from their hotel to a meeting, restaurant or stores. He also predicted the mix of retail business in the Ohio Center, the hotel and the conventioneers would make the area "a real people place" that could also compete with suburban shopping centers. In short, the facilities planned for Columbus were excellent and would create a demand among those planning conventions. "The days of the old convention delegate coming into town and really whooping it up are a thing of

the past, mainly because of the IRS," he noted. "If they want to have meetings and accomplish something, Columbus will be a visable place for a convention." In his analysis, Cleveland, Cincinnati, and Dayton were his main competition. Lillyman was also strong on Columbus' eating establishments and planned to use the restaurants as a selling point to convention delegates. While the main business of the Ohio Center would be conventions, he also planned to attract some big-name entertainment which might call for special seating. In Huntington, he had brought in a seating design to build a tiered seating arrangement that could be rolled out into the flat exhibition space and rolled back. As concerned a sports arena in the Ohio Center complex he was cautious preferring to study the city more closely before making a decision.

Outlining more of his plans as he took over, Lillyman said, "I'll probably be very low key at the next meeting simply because I haven't had enough time for review. But it won't be long after that I'll be going in with recommendations." Giving the impression of a man eager to get to work, he said "We closed a major trade show in Huntington (W.Va.) last night and I moved into an apartment here at 2:00 a.m. today. He also brought with him a

<sup>39</sup> Columbus Citizen-Journal, 19 September 1978.

Stylistic change. "effectively today our emphasis is on Ohio Center. The switchboard operator answers, 'Ohio Center,' not 'Battelle Commons Company.'" While BCC trustees had adopted the name with reservations because it lacked specificity, Lillyman like it. "It's up to the staff to see that Ohio Center is known nationally. I'll be recommending to the board an advertising campaign in connection with the Columbus Convention and Visitors' Bureau to clarify that," he commented.

According to Lillyman, he had heard confusion in the meetings and convention industry about what Columbus hoped to accomplish. And while rumors had cropped up he said, Properly designed and aimed at a midwestern regional market, Ohio Center gave "every reason to believe we'll be successful." In the argument over whether to build for a national market, "Someone had to bite the bullet and Clyde Tipton did, for the long-range benefit of the community." "I'll recommend some modifications but in all, the program is well-thought out." Having arrived, he would also do some restructuring himself by augmenting his staff with experienced center technicians to include a treasurer, an operating manager, stationary engineers for boilers and air conditioning and stage, concession parking and publicity managers, and a soon to be recruited administrative 18 yers experience with assistant. But based on

multipurpose convention facilities, he would try to keep overhead down by limiting permanent supervisory staff while emphasizing employment of senior citizens, students and handicapped persons for the part-time jobs at the center. His prediction was the Ohio Center when completed in 1980 would be talk of the town.

Lillyman's arrival and taking over on 18 September, signalled Clyde Tipton's departure as BCC president. And on Tuesday evening, 19 September, Tipton was honored at a private dinner at the Inner Circle restaurant in Columbus. 40 Board members honored him with a farewell toast.

By the final week in September 1978, the sales manager for Hyatt Regency hotels, announced requests had been pouring into Hyatt's corporate office in Chicago, with up to 65,000 room reservations through 1995. In a meeting with the BCC trustees, the sales manager informed them he hoped to have an office opened near the construction site by 1 November. Saying the interest shown by potential customers had been "very exciting," he also viewed Columbus as the number one city in the country for regional association meetings of large organizations. The city was convenient to New York, Washington, and Chicago, cities

Columbus Dispatch, 20 September 1978.

Columbus Dispatch, 26 September 1978.

where the largest firms and associations were headquartered. The manager also informed trustees information forwarded to Hyatt officials by the Columbus Convention Bureau had been a great help in planning the hotel, adding that the bureau appeared to be better organized than convention bureaus in many other cities. In that meeting he presented a series of sketches for the interior design and furnishings of the 20story hotel, costing \$35.5 million. At the meeting the board voted to name the center's exhibit hall Battelle Hall and wanted to name the High-3rd Street connector Ohio Center William Lillyman, the newly installed BCC president, said the Battelle Hall designation would be used in state and national advertising. In other business, board members were told that 10 of the 40 contract packages for center construction would go to minority firms. Eight of the firms were from Columbus, one was from Dayton, and the other from Cleveland. Lillyman said the contract totaling nearly \$1 million, would be about five percent of the total project cost.

Also in that meeting, the last for the trustees in September, a Galbreath representative told BCC trustees that construction bids for the \$35.5 million hotel would be in by week's end. 42 At the meeting Brooks also reported that two

<sup>42</sup> Columbus Citizen-Journal, 27 September 1978.

more financial backers, Midland Mutual and Motorists Mutual insurance companies had joined equity financers as limited Equity ownership of the hotel was now in the hands of two general partners and thirteen limited partners. Other news indicated the center itself was now five percent complete although it was two percent behind schedule. BCC staffers, however, felt the lag could be made up to meet the targeted completion date of May 1980. Also BCC staffers reported a net reduction of \$692,000 in the \$32.2 million center construction contract and still hoped to cut another \$324,000 to bring costs down to the budgeted \$31.2 million. As part of that effort, Turner Construction Company, picked by Galbreath to direct the construction would receive 25 cents per dollar saved, with BCC getting the remainder. Also, Lillyman, the new president vowed to find more ways to cut building costs, saying "We intend to bring it in on the money." On an added note of progress ConRail tracks had been relocated. This meant the High-Third connector should be completed by July 1979, in conjunction with, or slightly ahead, of the opening of the new High Street viaduct. Trustees, with a Lillyman admonition in mind that names "either come back to help or haunt you" in marketing, rechristened the High-Third connector, "Ohio Center Way"; Naghten Street as "Nationwide Boulevard" and the facility's main exhibit room "Battelle Hall." Trustees also were

informed Company's affirmative by Turner representative that 5 percent of the construction money for Ohio Center was going to minority subcontractors. about 20 percent of the laborers and 14 percent of the journeymen on the site were minority group members. the meeting ended, trustee Robert Lazarus, Jr., questioned representatives of the Central Ohio Transit Authority and BCC staff on planning for use of the Ohio Center as a transportation magnet. In response, COTA and BCC staff insisted the capability would exist to handle future express bus connections, the projected I-670 expressway, and a downtown High Street transitway.

During the first week in October, Turner Construction Company reviewed bids submitted by the 28 September deadline and had "heard nothing from them to indicate any problems.  $^{43}$  By the second week in the month, it was predicted, officials of the John W. Galbreath Company and Turner Construction companies would know if the bids on the hotel were within budget. Approximately \$23 million was available to construct the facility which would be operated as the Hyatt-Regency Columbus. Furnishings, including room interiors and restaurant equipment, plus architects fees and interests, would push the total to the \$35.5 million figure

<sup>43</sup> Columbus Citizen-Journal, 5 October 1978.

estimated earlier by Galbreath. Brooks, the Galbreath representative said "If it's (the lowest bid received) over funds available, I can't believe it will mean going back out on the streets (for new bids). It would mean adjustments in the building itself." Brooks was still hopeful construction could begin by the end of the month. If so, the hotel would remain on schedule for an August 1980 opening. In addition to awarding construction contracts, legal work including filing mortgages of record must take place before hotel groundbreaking. When the Hyatt-Regency Columbus did open in the Ohio Center, its average room rate was expected to be \$44 daily. When completed, it would be 20 stories high, with 660 rooms, and could complement the adjacent Ohio Center convention and multi-purpose facility.

At October's end, Brooks announced construction on the convention center hotel should begin in November if all went as planned. 44 The Galbreath Company had reached a tentative agreement with general contractor Turner Construction Company, and "We're within funds available" for the \$35.5 million hotel, Brooks announced. Officials did not want construction of the multi-purpose building, begun earlier in 1978, to get too far ahead of the hotel. They hoped both facilities would open around 1 August 1980.

<sup>44</sup> Columbus Dispatch, 31 October 1978.

Turner had now taken about 200 bids from would-be subcontractors for work ranging from excavation to electrical work, with about 16 subcontractors to be involved. Brooks noted though, a lot of paperwork had to be finished before construction could begin.

Downtown hotel operators jubilantly predicted the positive impact the new Hyatt Regency would have on their inns. 45 To attract overflow visitors who couldn't be accommodated at the Hyatt as well as those who didn't wish to pay the expected higher room costs, managers of many of the city's hotels were refurbishing their hotels, at a total cost of about \$7.5 million. There were 1366 rooms in the city's five major central area hotels.

Meanwhile, the prediction was the Ohio Center and Hyatt-Regency Columbus hotel should open together on 8 September 1980. 46 Battelle Commons Company President William B. Lillyman telling the company's board of trustees this is the third week in November, was now also concerned with outfitting the two buildings, a task which would take some time. Lillyman also told the board, center and hotel people had met in Chicago and reached an oral agreement of

<sup>&</sup>lt;sup>45</sup> Columbus Disputch, 9 November 1978.

<sup>46</sup> Columbus Dispatch, 21 November 1978

cooperation. "It won't be easy to mesh, but I think relations will be good," he said, but "We will be able to operate with the hotel." In the meantime, about 30 percent of the retail space in the center had been leased, and fourteen leases had been signed. Future tenants included a cocktail lounge, a bath boutique and a German fast-food restaurant. Several board members mentioned the importance of getting a bank as a tenant, and Lasko responded "We're determined to have a bank in this building (the Ohio Center)." Lillyman's proposed administrative budget for fiscal 1979 included \$280,000 for salaries and wages, twice the previous year's outlay. Apparently, the higher figure would result from creating several staff positions which he had recommended.

In a minor reorganization during this period, Richard T. Lasko was promoted to vice president and treasurer of BCC with the board approving the promotion <sup>47</sup> In his new position, Lasko, to report to the president, would be in charge of all construction and fiscal affairs at the Ohio Center complex and would also be in charge of the company's investment portfolio. His immediate subordinates would be the director of operations and the director of finance, who would be appointed as the Ohio Center approached completion.

<sup>47</sup> Columbus Dispatch, 24 November 1978.

"He's the best versed person on what the aims and goals of Ohio Center are, "Lillyman announced.

By early December partners in the proposed Hyatt hotel were nearing readiness for groundbreaking. December 1978, the BCC board was expected to approve a lease agreement with the hotel's 15 partners. 48 The next day, Brooks was hoping to close contracts on the \$27.5 million According to the lease agreement for hostelry, expectations were it would bring in \$125,000 per year after the hotel was built. The partners would begin paying rent in three years, and Battelle Commons would receive a percentage of the hotel's net cash flow. contract's fourth year, it was projected, Battelle should get about \$109,000. In the fifth year it should receive \$305,000. And after the fifth year, the hotel should be making a substantial contribution to the center's support. Brooks also revealed the Continental-Illinois National Bank and Trust Company of Chicago would finance the \$27.5 million construction loan, with Aetna Life and Casualty Company of Hartford, Connecticut, holding the first mortgage. would reimburse Continental when construction was completed.

All this action brought groundbreaking for the \$35.5 million Hyatt Regency Hotel at the Ohio Center closer. For

<sup>48</sup> Columbus Dispatch, 6 December 1978.

later in the special meeting, BCC trustees formally named the Hyatt Hotel Corporation as manager of the 660-room hotel, as well as approved the design. 49 The board, in addition approved a sublease agreement for the hotel site, and agreed to invest \$200,000 of its own money to become a limited partner in the hotel. All that remained prior to ground breaking was the closing of the \$27.5 million mortgage. Brooks hoped details of the financing could be worked out by the week's end. Also a consultant had been hired to design the portal park on the southeast corner of High and Naghten Streets and pedestrian walkways to link the park, Nationwide Plaza and the hotel, said board member N. Jack Huddle, the city's development director. development and recreation and parks departments had contracted for the design work.

Also announced in early December was several major national conventions had been booked into the center, which was not due to open until May 1980 and at least 100 other groups were termed "solid prospects" by Robert W. Bashor, president of the Columbus Convention and Visitors Bureau. 50 This success was attributed by him to an aggressive sales program backed with slick promotional materials, produced

<sup>&</sup>lt;sup>49</sup> Columbus Dispatch, 7 December 1978.

<sup>50</sup> Columbus Dispatch, 8 December 1978.

and directed by what he called "the best staff in the country. If you don't do it first class, you might as well save your effort, because somebody else will. This is a very competitive business," he explained. Although reluctant to name the prospects out of fear someone might steal them, he did provide a few of those whom he had a firm commitment from. These included

- (1) The National Federation of Business and Professional Women's Clubs, with over 3,000 delegates, booked for 1981.
- (2) The Ohio State Restaurant Association with over 7,000 delegates, booked for 1981.
- (3) The prestigious American Society for Information Sciences, approximately 2,500 delegates, booked for 1982.

And he said in addition, "Over 200 groups had expressed interest in booking their conventions into the Ohio Center, and at least half of those were solid prospected." Although the \$32 million convention and retail centers were important tools for him, Bashor would argue, "the bureau does more than sell the center, it sells the entire city of Columbus." The bureau, we will recall, assembled a promotional package advising the prospective conventioneer to "consider Columbus...we've got it all together."

As 1978 drew to a close, the convention center complex was on its way, but some questions remained in the minds of some civic leaders. 51 The argument was, if Columbus was to be a major competitor for conventions, it must have the capacity to house people and to display events. Ohio Center, now under construction, would provide some of these essential ingredients for conventions. Along with an auditorium and exhibition space, a new hotel would adjoin the project. But these structures wouldn't render Veterans Memorial as surplus value. On the contrary, county officials operating the West Broad Street memorial building were making plans for expansion. Vets Memorial trustees would meet with Franklin County Commissioners in January 1979, to expand the exhibit area, and the board had recently purchased an adjacent 3.68 acres to expand and provide the necessary parking facilities. Sometimes, the interests of those in tangible resources are less easily satiable than are interests in symbolic reassurance. 52 County officials emphasized they were not considering a sports arena addition, though, and ironically, such an arena was part of the original planning for the post-World War II memorial.

<sup>51</sup> Columbus Dispatch, 20 December 1978.

<sup>&</sup>lt;sup>52</sup>Murray Edelman, "Symbols and Political Quiescence," American Political Science Review 54 (September 1960): 696.

But inflation and delays ate away at the \$4.5 million bond issue and also a subsequent one for \$1.25 million causing plans to be pared. The building opened on Armistice Day, November 11, 1955. Thus, now to accommodate organizations demanding more exhibit space, the county desired to expand the memorial. Trustees and commissioners apparently didn't do it earlier because they wanted to be assured they would not endanger success of the Ohio Center. Now, it was felt though, the exhibition buildings would complement each other. A new hotel also was planned for the Capitol South development which was expected to be an attraction itself.

As the new year began, Robert W. Bashor, president of the Columbus Convention and Visitors Bureau, announced an intense promotional and advertising campaign had been a factor in interesting at least 200 new convention groups to Columbus. So Columbus was a major force in the national convention and trade show market in 1978 and provided "high visibility" to the city's many attractions and meeting facilities for consideration by the country's thousands of site selection officials. Reportedly, 1978 constituted one of the finest years in Columbus convention history. Bashor creditation the city's two-year-old bed tax, a percentage of

<sup>53</sup> Columbus Dispatch, 28 January 1979.

which was channeled to the bureau, with making possible increased bureau promotion, activity, and service.

Back in March 1976, the CCVB began considering that once the convention center was built, it ought to be prepared to engage in the highly competitive convention business and the time to start getting ready was right then. 54 In explanation there was a presistent effort then underway to strengthen and expand the Columbus Convention Visitors Bureau, Inc. The Convention Bureau therefore began seeking more financial assistance from the city government. In 1975, the assistance totaled \$65,000, in 1976, \$40,000, and although there was a possibility that a moderate additional appropriation would be made, officials weren't certain. The Convention Bureau actually, though, had its sights set on 1977 and thereafter. It argued persuasively that convention business would bring dollars to Columbus In 1975, it asserted, for example, 400,000 delegates attended 805 conventions in the city and spent an estimated \$40 million while in the city. But conventions to come to a city, they had to be booked three to ten years in advance, and a booking was realized only after a major sales effort on the part of the would-be-host city. While nobody denied that sales efforts required

<sup>54</sup> Columbus Citizen-Journal, 20 March 1976.

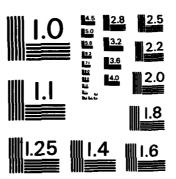
expenditure, the city was hard-pressed financially, and city officials said they needed every dime of revenue they could get to pay their bills. The Convention Bureau's hopes for more assistance were based on the logic of the argument that some of the collections from the city's "bed" tax should be invested in bringing more visitors to the city. The three percent "bed" tax which became effective in 1969, was assessed on the price of a hotel and motel room. In 1969, the tax produced \$389,000, and by 1975, the collection had increased to \$722,000. But all collections since the start of the tax had gone into the city's general operating fund. Convention Bureau supporters wanted part of the tax earmarked to the Bureau to help it line up new convention business. Proponents pointed out that other cities had similar taxes and were investing all or a portion of the proceeds in that endeavor. Louisville, for example, had a three percent room tax, and the city invested 100 percent of this in its convention bureau. In 1975, that amounted to \$600,000. Both Cleveland and Cincinnati had three percent room taxes, and each earmarked 50 percent of collections to its convention bureau. In 1975, that meant \$240,000 in Cleveland and \$200,000 in Cincinnati. The proposal to adopt a similar plan for Columbus had not been enthusiastically received by city officials, but at the same time, they had not ignored or rejected the idea.

possible approaches were being studied. One, which appeared favorable, would reserve to the city a designated portion of total bed collections, with anything in excess of the reserve to be divided equally between the city and the Convention Bureau. For example, the city could reserve to itself \$300,000 of a year's collections. If collections totalled \$700,000, as they did in 1975, the city would retain another \$200,000 and earmark the remaining \$200,000 for the Bureau. This approach had the advantage of providing a built-in incentive for the Convention Bureau to line up more convention business, since its allocation would increase with growth in total collections.

by April 1976, to some it seemed it would take more than money to accomplish the job that needed to be done to sell Columbus as a choice convention city. <sup>55</sup> Not that it was not a fine convention city, but with the new Downtown Convention Center on the drawing boards the future appeared brighter. The prospect offered the CCVB a challenge and the opportunity to launch an energetic sales campaign. The need to know well in advance what it had to sell was a good reason for the convention bureau to make a strong, positive sales approach to Convention Center planners. Also, there began to appear reasonable assurance some of the additional

<sup>55</sup> Columbus Dispatch, 19 April 1976.

URBAN REDEVELOPMENT AND THE STRUCTURE OF POWER: THE IMPACT OF PRIVATE INT. (U) AIR FORCE INST OF TECH WRIGHT-PATTERSON AFB OH A ANDREWS 82 AFIT/CI/NR-82-60D F/G 5/4 7/4 AD-A121 573 UNCLASSIFIED NL



MICROCOPY RESOLUTION TEST CHART NATIONAL BUREAU OF STANDARDS ~ 1963 - A

money the convention bureau needs for that job will be forthcoming. Columbus City Council was considering sharing its hotel-motel tax (bed tax) revenue with the convention bureau. Heretofore, the city had supported the bureau convention-seeking activities from general revenue. Inasmuch as conventions brought much of the \$700,000 bed tax revenue to Columbus, there now appeared to be a logical inclination on the part of city officials to assist the convention bureau from that source. By May of 1976, the CCVB push was still on, as the Downtown area was rapidly growing in beauty, and plans for a new Convention Center were underway. It was argued the city had the makings for a great convention city but a big building was no good unless it was kept in use by conventioneers. Someone must start selling Columbus now, and that should be the CCVB's job. The bureau got its allocation of the bed tax in 1977 and had begun its vigorous push. 56

With great things predicted and still a hint of controversy as the year began, a diesel shovel had begun moving dirt on the convention center site for the hotel. The ceremonial groundbreaking was scheduled for Tuesday, the second week in January, but actual work began the day after Christmas in 1978, the same day the director of development

<sup>56</sup> Columbus Dispatch, 28 January 1979.

and construction for John W. Galbreath and Company finalized the mortgage. <sup>57</sup> Storm sewer trenches were being built.

On Tuesday 9 January 1979, in 12 degree cold, the official groundbreaking for the hotel was held. 58 Those at the occasion included the president of the hotel management firm, Hyatt Hotels Corporation; Mayor Tom Moody; chairman of the BCC board; and Daniel M. Galbreath, associate of the hotel developer, John W. Galbreath and Company.

As work continued, in late January it was announced that construction was a month behind schedule on the Ohio Center convention and exhibition complex. Sealbreath's construction manager told the BCC board that delays in deliveries of structural steel and mechanical and electrical equipment were holding up construction. With the center now 18 percent complete, the construction manager felt the month's delay could probably be made up by the end of 1979. Meanwhile, an audit review by Ernst & Ernst gave BCC management a clean bill of health in a report presented to the board. One of the audit partners said, "We think the organization is doing a good job with the people it has. It's significant given the personnel changes." Board

<sup>57</sup> Columbus Dispatch, 4 January 1979.

<sup>&</sup>lt;sup>58</sup> Columbus Dispatch, 10 January 1979.

<sup>59</sup> Columbus Dispatch, 23 January 1979.

members also agreed to present an annual report to the community, with one member suggesting the report be less cluttered than it was the last year. President William B. Lillyman, responding assured the trustees the report would be readable and aimed at the average citizen.

As the month ended, and although the convention center was less than 20 percent finished, Lillyman began looking toward development of the other half of the Ohio Center site. 60 "I can't envision exactly what's going to happen on the other half, but I'm of the opinion that you're probably looking at another \$70 million in construction there before it's all over," he said. His prediction was the Ohio Center would spur other major developments in the north downtown area. "This has a rippling effect. I've seen it happen in three other cities. People want to get on the bandwagon." "I look for announcements to be made of major commercial developments in the peripheral area very soon," he announced.

With the hotel started, it was learned, as February approached, BCC would probably have to pay \$100,000 to demolish threee city-owned buildings in the way of the Ohio Center parking lot. 61 The 2,000-car lot was to be built on

<sup>&</sup>lt;sup>60</sup> Columbus Citizen-Journal, 29 January 1979.

<sup>61</sup> Columbus Dispatch, 30 January 1979.

about 19 acres of land north of the convention High Street entertainment complex northeast of Nationwide Boulevard (formerly Naghten Street). "The city believes we should take the building down, " said Richard T. Lasko, now vice president-treasurer for BCC. "Our position is, if we must, we must." The city it will be recalled, was leasing the land to Battelle for the Ohio Center, Hyatt Hotel and parking lot for \$1 a year. The three city-owned buildings were an Exxon gas station, a Lazarus warehouse, and the home office of Bogen Heating and Air Conditioning. The city had purchased the three buildings within the last two years at a cost of about \$840,000. Part of the Bogen building was in the path of a sewer project, and demolition was scheduled for that summer. BCC wouldn't have to demolish the rest of the buildings until the spring of 1980, Lasko said.

In early February 1979, the list of retail occupants had grown considerably. 62 It now included: Schmidt's Sausage Haus; LaBath Boutique; Gorden St. John Ltd., a men's store; Lynn Drug Company; Marshall's, a card shop; Mandas and Son, pastries; Unique Things, boutique and gift shop; Pipes and Tobacco Ltd.; the Emporium; Hill Signs, Inc.;

Partners: Landmark & Ohio Farm Bureau Employees, 12 February 1979.

Frank Wilbur Hale II, a shoe shine shop; Aliki Ice Creams and Dimitrios Restaurant. According to a BCC assistant the developers were trying to attract such businesses as a movie theatre, a beauty shop, a barber shop, possibly a disco and a bank. Phase I was well underway, and phase 2 of the plan was being considered. Work in that phase would develop the northern part of the 28-acre parcel of land. It was to have a large green area with office, retail and commercial facilities, additional parking and another hotel/motel surrounding it in an environment conducive to residential development.

Beginning to show creativity of his own, Lillyman announced an innovative proposal also in February. 63 The proposal was to add 8,000 seats to the main exhibition hall of the Ohio Center and would bring in more than \$125,000 in additional annual revenue. "That would actually be a minimum figure," Lillyman said, as receipts from parking and concession stand sales would help push the figure even higher, although he could not say how much. He priced the proposal at \$1.4 million and felt it would be approved. The money for the seating plan was available - money which Lillyman said was already available as part of the center's

Columbus Citizen-Journal, 12 February 1979; and Columbus Dispatch, 11 February 1979.

equipment fund. The new seats would be telescopic platform seats which would fold up into the balcony and portable seats on the hall floor which could be rolled into storage Though the first priority of the center would be to host trade shows and conventions, the new seating proposal would allow the staging of entertainment events such as ice shows, music concerts and wrestling. He said during the first year or so of operation, one could expect bookings in the center to be 60 percent trade shows and 40 percent entertainment. In succeeding years, the trade show figure would rise to almost 70 percent and entertainment bookings would drop to 25 percent. Lillyman believed entertainers could fill about 30 to 50 open dates a year and bring in extra money. He hoped the shows also would increase traffic in the center's retail core and the attached Hyatt Regency Columbus hotel. The shows mainly would be one-nighters with musicians, entertainers, and even professional wrestlers, but the facility could seat 6,000 for ice shows and 7,000 for basketball games (shades of a sports arena?). changes would have to be made to the building to accommodate The \$1.4 million would not pay the seating. basketball floor and related fixtures though.

In explanation, Lillyman said big-name acts bypassed Columbus at the time because there was no facility, other than St. Johns Arena, with enough seats to make a concert

profitable. 64 He had discussed in detail his plan with two seating manufacturers. Tiered chairs would be upholstered on the seats and have plastic armrests. Floor chairs would be fully upholstered. In about 8 hours a crew could set up or take down the main floor's 3,200 tiered seats and 1,200 floor seats. The tiered seats would fold into units that could be rolled into storage areas, leaving the 65,000 square foot main floor completely clear. Another 3,600 tiered seats would be installed permanently in the foursided balcony and would telescope against the walls into a space less than 5 feet wide. The balcony was designed to be 33 feet wide with 30,000 square feet of space. A similar seating arrangement worked well in the Huntington, West Virginia Civic Center, which Lillyman managed before coming to Columbus. He credited the flexible seating with helping that facility turn a profit in its first year of operation. The main hall, on the top level of the Ohio Center, had a 35-foot-high dividing wall that could create smaller auditoriums that would seat 1,500 or 4,000. The plan was hailed by one civic booster in the community as "very sensible" with "many practical applications."

In mid-February 1979, Lillyman struck a blow for equal opportunity as he signed the Griffin Brothers of Ohio

<sup>64</sup> Ibid.

State football fame to lease space in the Ohio Center for Athletes' Foot, the chain of sports apparel shops they served as corporate officers. 65 Their signing upped the percentage of leased retail space in the center to 25 But even more important as concerned Black involvement in the project, President Lillyman introduced Leonard L. Love to the board in its meeting on 20 February, as BCC's director of finance, a new position Lillyman had created. 66 Love, general accounting supervisor for the R. G. Barry Company, would be responsible for financial analysis, budgeting, accounting, and investments. He also would establish financial procedures for use by the center's Hyatt hotel and other phases of the convention center operation. He would report to BCC Vice President and Treasurer, Richard T. Lasko, and begin work on 19 March. Love's appointment, according to Lillyman, was the culmination of a nationwide search that eventually led him back to Columbus. position had been advertised nationally. Lillyman was "just delighted to have a man of his caliber." Love was a graduate of University High School and Franklin University.

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<sup>65</sup> Columbus Citizen-Journal, 15 February 1979.

<sup>66</sup> Columbus Dispatch, 21 February 1979.

Certain other activities took place at the BCC 20 February board meeting. 67 It was reported the High Street viaduct, closed since the fall of 1977, would reopen by the end of the summer. In other action, Lillyman told the board of his plan to seek bids for 8,000 portable seats for the main exhibition hall. The \$1.4 million project cost could come from the existing equipment budget, he said. events would offset the costs. "I asked myself whether this will increase the versatility of the center, and the answer is yes, and do we have the dollars to do it, and the answer is yes, "Lillyman would say. "Anything that can be done in Madison Square Garden, we will be able to do here, except hockey," he said. The added numbers of people brought into the Ohio Center also would benefit the Hyatt and the retail shops doing business in the center, he noted. Although no formal action on the seating proposal would be taken by the board until Lillyman got specific bids, which probably wouldn't be for a month or more, board members appeared to support the concept. "I think the concept is great, if we can afford it, " said board member Robert Lazarus, Jr. board would have to vote on bids for the seating project.

On the same day of the board meeting, the sales director for the Hyatt hotel felt the latest convention

<sup>67&</sup>lt;sub>Ibid</sub>.

booking for the Ohio Center and Hyatt Regency proved that convention center planners hadn't had their heads in the clouds. 68 The sales director said, "It indicates how well Hyatt and the center can do." "we're certainly on target in our predictions for the first couple of years." convention that had him in smiles was the 1982 annual meeting of the Council of Educational Facility Planners, a group with headquarters in Columbus that had met in other cities because of the lack of a suitable local facility. "One reason Hyatt came here," he said, "is that Columbus does fantastic convention business in the state. But our goal was to go after regional and national business and this shows we can do it." Hyatt had then guaranteed 500 to 550 rooms for the 800 to 1,000 persons who would attend the planners council convention September 25-30, 1982. council, which had members who were school system officials, engineers, architects, and campus planners would meet in Baltimore, Maryland in 1979, in Dallas in 1980, and in Denver in 1981. "We have looked to Columbus over the years but there has been no facility under one roof that can provide the lodging, conference space, and exhibit space," the executive secretary of the council said. The expansion of the Port Columbus air terminal that would dovetail with

Columbus Dispatch, 20 February 1979.

the convention center completion in the fall of 1980 was also a factor in the choice of Columbus as the council's meeting place. "A lot of our members come from the West Coast and for them it takes a full day to get in here. The new airport will offer better access and, we hope, better schedules," he said. Other tentative bookings of national groups included the National Auto Parts Association in September 1981, the International Telephone Credit Union Association in May 1982, and the National Pre-cast Concrete Association in February 1983.

Also, in March, reasons for some of the construction difficulties were amplified. <sup>69</sup> Work had been slowed by the six-month delay in relocation of the ConRail tracks. It resumed a normal pace in the winter of 1978-79. Where 600 feet of parallel lines blocked progress inside a 60-foot wide strip intersecting the job site, excavation and foundation work were completed eight weeks after track removal concluded in September 1979. As the only unfinished part of the main building's foundation work, its conclusion permitted the winter assault by subcontractors that by the summer 1979 should achieve completion of the structural frame of the \$35.5 million multi-purpose civic center.

<sup>69</sup> Construction Digest, 29 March 1979.

In its report to the community in March 1979, BCC summarized events of the past year's activity. 70 In that report was the company's financial statement.

ASSETS		October 31	
		1978	1977
Cash		\$ 111,758	\$ 216,087
Certificates of deposit		23,000,000	11,815,000
Notes receivable		1,000,000	
Accrued interest receivable		1,293,658	987,339
Prepaid insurance and other assets		21,111	28,206
U.S. Government Agency bonds (approximate			
market of \$10,680,344 in 1978 and			
\$26,762,653 in 1977)		10,841,202	26,848,540
Furniture and fixtures, less allowances			
for depreciation of \$7,079 in 1978			
and \$4,183 in 1977		10,262	12,103
Construction and architectural costs		9,999,766	3,371,481
		\$46,277,757	\$43,278,756
		-	
LIABILITIES AND FUND BALANCE	SS		
Accounts payable and accrued expenses		\$ 1,068,573	\$ 375,785
Fund balances			
Construction		42,920,911	40,423,086
Administrative		2,288,273	3,479,885
Commitments		45,209,184	42,902,971
		\$46,277,757	\$43,278,756
STATEMENTS OF CHANGES IN FUN		1070	
Years Ended October 31, 1977		1978	
	Construction	Administrative	
	Fund	Fund	Total
Balance of November 1, 1976	\$38,518,809	\$2,717,537	\$41,236,346
Investment income and			
other	2,404,277	185,075	2,589,352
Expenses (deduction)	(500,000)	(422,727)	(922,727)
Balance at October 31, 1977	40,423.086	2,479,885	42,902,971
Investment income and			
other	2,497,825	163,910	2,661,735
Expenses (deduction)		(355,522)	(355,522)
Balance at October 31, 1978	\$42,920,911	\$2,288,273	\$45,209,184
			<del></del>

<sup>70</sup> Columbus Citizen-Journal, 8 March 1979.

## STATEMENTS OF ADMINISTRATIVE FUND REVENUES AND EXPENSES

REVENUES	Year Ended 1978	October 31 1977
Investment Income	\$150,714	\$164,383
= = = =		
Other	13,196	20,692
	163,910	185,075
EXPENSES		
Compensation and taxes thereon	141,545	159,138
Professional fees and services	119,608	125,512
Insurance	46,141	66,572
Office and business	48,228	71,505
	355,522	422,727
EXCESS OF EXPENSES OVER REVENUES	\$191,612	\$237,652

Also in early March, the Ohio Nurserymen's Association had signed the final lease for convention space in the Ohio Center. The organization would bring 2,000 persons into the main exhibition hall in January 1981. The lease also called for the association to hold its convention at the Ohio Center for the following four years as well.

And in mid-March, while COTA's planning committee was painting a gloomy picture for bus service in Franklin County if the one-half percent sales tax increase wasn't approved by voters, positive things were still happening in the Ohio Center area. 72 A model of a new Downtown park to honor and be named after Former Columbus Mayor M. E. Sensenbrenner was unveiled. The planned .9 acre park's model unveiled to

<sup>71</sup> Columbus Dispatch, 2 March 1979.

<sup>72</sup> Columbus Dispatch, 13 March 1979.

Sensenbrenner by Mayor Tom Moody and Recreation and Parks Director Melvin B. Dodge, would be developed on the southeast corner of North High and Naghten Streets, across from the Ohio Center. The park estimated to cost \$2.6 million, would feature a triangular conservatory, a scenic pool, and overhead walkways connecting it to Nationwide Plaza and the Ohio Center. The conservatory would contain types of flowers, plants and some birds, said Dodge. park would be under construction in the summer of 1979 and be completed in 1980, Dodge said. The park would be paid for by Nationwide Insurance Companies through the capital improvements fund set up in lieu of real estate taxes for property improvements on the plaza site. The special fund also was being used to finance the new High Street viaduct Naghten Boulevard construction. The architectural firm of Feinknopf, Macioce and Schappa was designing Sensenbrenner Park.

During the last week in April, construction of the Ohio Center and the 20-story Hyatt Corporation hotel was on schedule, the BCC trustees were told on 25 April. Retail leasing space in the center was about 45 percent complete. Contracts had been signed for 19 stores and restaurants, and contract negotiations with seven other potential leasees

<sup>73</sup> Columbus Dispatch, 26 April 1979.

were in the final stages, board members were told. The Hyatt Corporation had more than 200,000 room nights booked for the hotel through 1984. In another announcement, though the president of Nationwide Insurance Companies, said his firm was considering building a hotel on property next to the Nationwide Plaza at Chestnut and High Streets.

issued that But, warnings were same day construction of a second hotel near the Ohio Center could stymie plans to attract a hotel into the Capital South project area. 74 The city had already invested \$18 million in that area. In a closed-door session of the board, developer Daniel M. Galbreath and City Council President M. D. Portman expressed concern about the Nationwide proposal. proposal called for building a 400-room hotel on land owned just west of the convention center. With the Hyatt Regency now under construction, at the beginning of the meeting BCC officials were openly enthusiastic about the possibility of another hotel being built close by. But in executive session, Galbreath and Portman warned that if Nationwide went ahead with its plan, it might hurt the chances of getting another hotel in the Capitol South area. Galbreath told the board, "I'm concerned that another hotel going up here could put a hole in the Capitol South project.

<sup>74</sup> Columbus Citizen-Journal, 26 April 1979.

Things are moving up here on the North End, and now Capitol South has to be our No. 1 priority." Portman agreed, reminding the board the city had put up \$18 million to buy the land for the massive three-block redevelopment project south of the Statehouse. "We have to make this go. reputation is on the line," Portman argued. The Nationwide president, also a member of the BCC board, at first told the board Nationwide was seriously considering building a hotel on its land between High and Front streets, north of Spring Street. But after the executive session, he became less positive, saying if Nationwide builds anything on its land, "it most probably will be an office building." Likewise, Heffner said later, "I think we need another hotel, but if it's built down there (in the Capitol South area) rather than up here, that's great too." Meanwhile the Capitol South's executive director responded he had not contacted Nationwide or any city official about the possibility of a second hotel being built in the north downtown, and he envisioned the hotel for Capitol South area would not be directly competitive with one Nationwide might build. the time he hoped "within the next couple of months" to hire a hotel developer who would analyze proposals from several hotel chains that had expressed interest in his area. was also revealed Galbreath had talked with Madonna about the John W. Galbreath Company becoming the hotel developer

for Capitol South, but no commitments had been made. The expected groundbreaking date for a hotel in the Capitol South area was late 1980.

Meanwhile, Veteran Memorial's interest began to start controversy. 75 The day after the Nationwide proposal, the Veterans Memorial long-range planning committee announced it would interview architects in May 1979, for the job of designing a 100,000 square foot addition to the building. The \$3 to \$4 million expansion proposal was contained in a report submitted to the Veterans Memorial board in March and adopted 12 April. While no construction date was mentioned in the report, the facility's management said "I'd like to see it started by fall." Noting the board had not decided whether to build the addition, he said "There's a lot of cost factors that are going to be looked at." The report also called for the addition of 400 parking spaces possibly through construction of a parking garage, and for future consideration of the construction of a hotel. The Robert Weiler Company, which prepared the report, recommended that the 100,000-square-foot addition consist of a 65,000 square feet of unobstructed exhibition space, 20,000 square feet of related service area and 15,000 square feet of meeting Copies of the report were sent to Franklin County rooms.

<sup>75</sup> Columbus Dispatch, 27 April 1979.

Because Veterans Memorial did not commissioners. sufficient capital to finance construction of the proposed addition, the Veterans Memorial board was expected to ask county commissioners to issue bonds to cover construction costs, although the county commissioners had not been formally approached since January when the commissioners and Veterans Memorial board members met to discuss The exhibition, coupled with the facility's expansion. existing 45,000 square feet of exhibition area, would give the facility a total of 110,000 square feet of exhibition The Ohio Center, going up at the northern end of Downtown, was to have 95,000 square feet of exhibition space but 30,000 square feet of that space would be in a balcony area, and therefore less desirable, the report said. head of the board's expansion committee, said in January the enlarged exhibition area would not be that competition with Ohio Center, which would attract more affluent groups of exhibitors. Vets Memorial's manager said "Personally, I think both facilities will have all the business they can handle. The report read

There is no question that the convention and exhibition in Columbus is such that both facilities could operate successfully. We feel that one of the important facts that this feasibility study has confirmed is that the ultimate success of the Ohio Center will in no way be jeopardized by an expansion of the exhibition space at Veterans Memorial...Many people, including Mr. Bashor, are of the opinion that the

Ohio Center is very severely 'underbuilt'... These people have a firm belief that the Ohio Center should include somewhere in the neighborhood of 150,000 square feet of exhibition space.

Also,

There have been preliminary discussions concerning the possibility of locating a hotel on the Veterans Memorial site. We are of the opinion that an on-site hotel should be considered only if an addition is made to the existing space. In addition, we are suggesting that this be withheld for future considerations so that an accurate determination can be made of exactly what is presently in the planning stages with regard to future Downtown hotels.

Two days later, BCC officials responded they were worried about possible competition from the proposed expansion at Veterans Memorial Auditorium. 76 Lillyman, president of BCC, said, "The timing is bad. Why would they try to duplicate the 65,000 square feet (of exhibition space), which is what we've already got?" Lillyman also feared space in the addition would rent for less than similar space in the Ohio Center, reasoning the county-owned Veterans Memorial could finance the building with publicly backed bonds with cheaper interest than private financing. G. C. Heffner, BCC board chairman, agreed, saying "Nobody can compete with public dollars." "I'd like to see a whole analysis of how they'll pay their debts." "I think that one of the things that's vitally important is that they don't

<sup>76</sup> Columbus Dispatch, 29 April 1979.

use public dollars to compete with private dollars," he continued. His argument was private borrowers got money at interest rates of about 10 percent compared to about three percent for publicly backed revenue bonds. Meanwhile, a Veterans Memorial planning committee was to interview architects in May for the job of designing the \$3 million to \$4 100,000-square-foot addition. million, Lillyman responded also that the size of the Ohio Center "has not been a deterrent to getting business," adding "If there is a definite need, heck, we can expand." BCC had 13 acres on the other side of the railroad tracks that bordered the north side of the center, and Lillyman said he would not be so uneasy about the announcement of the Veterans Memorial expansion if the Ohio Center was already open and operating successfully. Daniel M. Galbreath, whose company was a general partner in and developer of the hotel being built next to the Ohio Center, said he wanted to see the report recommending the addition to the auditorium, suggesting, "I hope the ultimate judgment (on whether to build) is based on a spirit of what's best for the community as a whole."

Amidst the controversy, a bit of humor was allowed in a BCC board meeting at the end of April. 77 Conventioneers

<sup>77</sup> Columbus Citizen-Journal, 30 April 1979.

who visit the Ohio Center when it opened in the summer of 1980 would be able to dine on chow mein, sauerbraten, lasagna and finish up with a nice baklava, but they would be out of luck if they wanted a good old American burger and fries. The center now had three ethnic restaurants, Oriental, Greek, and German signed up for space in the convention center, and negotiations for inclusion of an Italian shop were expected to be wrapped up soon. But what if one's taste runs more to a "hot 'n juicy," wondered one board member. "Are we trying to get a fast food operation?" Lasko's response was BCC was trying to "bring an ethnic flavor to the restaurants in the Ohio Center." McDonald's is strictly ethnic - it's American!" insisted another board Lasko reminded the board only about 45 percent of the retail space in the Ohio Center was spoken for, and there was still time for a hamburger magnate to get in on the action.

As May arrived, Franklin County commissioners who had now received copies of the plan began a wait-and-see attitude about Veterans Memorial expansion. <sup>78</sup> Commissioners briefly discussed the proposal at a staff meeting but decided to take no action with one commenting, "We'll wait and see what transpires this week." He also remarked the

<sup>78</sup> Columbus Dispatch, 1 May 1979.

Veterans Memorial board did not have the \$3 million to \$4 million it would take to build the addition. The board, if it decided to build the addition, was, however, expected to ask county commissioners to issue bonds to pay for the expansion. "If they get us involved, we better be talking to each other first," he noted. He also expressed concern about reports that the board was interviewing architects for the job.

In further response, a Franklin County Commissioner said Veterans Memorial should not be expanded until after the Ohio Center is completed. He feared an expanded Veterans Memorial would compete with the Ohio Center and create financial difficulties for both facilities. At the meeting during the last week in April, memorial board members said they would go ahead with plans to ask architects to present proposals for the addition, but they also would keep Ohio Center officials advised of their progress. According to the commissioner, area businessmen were concerned about the impact an expanded Veterans Memorial would have on the Ohio Center. He also said,

I think we have to take a wait-and-see attitude. What would be wrong with waiting until the Ohio Center is open and operating to find if there is a definite need? I think Vets had an obligation to wait. The community has backed the Ohio Center.

<sup>79</sup> Columbus Dispatch, 15 May 1979.

I would hate to see competition created that would kill both of them; and that's a real possibility.

While Veterans Memorial board members maintained the addition would not compete with the Ohio Center and would have sufficient business to keep it operating, one area businessman complained to the commissioner that the feasibility study lacked sufficient detail to prove either point. County commissioners were not expected to issue the bonds without proof that the facility would not compete with the Ohio Center.

## Summary

focused Throughout this chapter, we've on implementation activities: continuing acquisition resources, interpretation, organizing, and extension benefits. Importantly Ohio Center's construction was being implemented. But implementation often mingles with impact: especially when governmental officials or others outside government continue to pursue tangible physical benefits; get involved to shape detailed also when interests implementation decisions in ways pleasing to those seeking influence. As to the first, with the Hyatt Regency barely on its way up, a BCC board member proposed construction of a second hotel near the Ohio Center. As to both conditions, the plan to expand Veterans Memorial applies.

A curious phenomenon in this study was the role played by the Columbus Convention and Visitors Bureau (CCVB) throughout this process. Normally an important ally in prevailing redevelopment coalitions is the city's convention and visitor's bureau. Its main task is to promote the city and mobilize public support in favor of downtown investment. Curiously, the opinion of the CCVB wasn't solicited on Ohio Center until August 1977. Presumably the nature communications between the individuals within the organization responsible for implementation (BCC) affected the relationship. This relation was improved, however, when BCC's character changed in August 1977.

But while BCC board members and Vets Memorial backers have resources to compete in this process, success to others comes slower. Sports Arena advocates, for example, have faced considerable obstacles in attempting to get an item on the agenda and access the process. In 1971, a sports arena was mentioned in ballot language that enticed voters to approve Union Station's purchase. We see in this chapter that advocates of the arena were unable to place a bond issue on the ballot until June 1978. In 1975, BCC officials remarked "We are not negating the need for a sports arena in the central Ohio area. However, the Battelle Commons goal is to attract a growing convention business in Columbus." In July 1977, the citizens' initiative petition requirements

had been met to place the issue on the ballot. Columbus City Council, through various means--missing the date to file the bond issue resolution required by state law, conducting a feasibility study, appointing a task force-prevented the issue from getting on to the ballot. until May 1978, would sports arena backers be told the bond issue would be on the June ballot. And this occurred only after a suit was filed against City Clerk to force the issue on to the ballot. This brief analysis is not to suggest that Columbus needs a sports arena. What is important is that some interests face difficulties when trying to get a problem on to the agenda of government. The analysis also reveals some paradoxes interests must work through to elicit a favorable public reaction even when they are knowledgeable the rules, processes, substances, timetables, resources.

#### CHAPTER EIGHT SUMMARY AND CONCLUSIONS

It is easy to be wise after the event(s).

English Proverb

At the time the research was completed, the Ohio Center program remained in the implementation stage of the Hence, conclusions drawn from policy process. this examination of urban redevelopment policy and this specific project in Columbus will be tentative and somewhat However, the scope of this research is the premature. formative period of Columbus's "new" redevelopment policy begun in the 1970s. As a result. defensible generalizations may be made which reflect only these early stages. Also, since similar programs will continue into the future, generalizations based on these policy stages in Columbus may provide useful insights into future issues and probable consequences in other communities. The time period of this research extends roughly from March 1969 till June 1979.

## The New Redevelopment Agenda

federal policy dealing As have seen, redevelopment dates back to the Housing Act of 1949 which established the urban renewal program. For the most part, over the years, however, the national government has played a generally indirect part expecting local governments to solve their own social and economic problems. 1 And today, at a time when local governments continue to face difficult community development decisions, the federal government has opted for an even less direct involvement in community development policy than it has had in the past. To be sure the federal government has provided money and encouraged planning and coordination, but the local community major battleground where the 30rubala for program priorities is thrashed out.

One of the principle criticisms of Ohio Center development in this study was why it took so long to implement construction of Ohio Center? The essential answer is that the processes by which policy statements are made, approved, and implemented are so complex and slow. But, modern standards of efficiency and economy of effort still beg the question. Perhaps part of the answer lies in history, for numbers of months are often required to

<sup>1</sup>Stone, Whelan, and Murin, Ur n Policy and Politics, p. 279.

various major urban redevelopment projects (TABLE 6 ). those in Columbus familiar And "Flytown/Goodale" and "Market-Mohawk" know policy processes are slow. To begin, it might take considerable time to get an item onto the agenda: the concept of a new convention center in Columbus was suggested back in 1961. Further. such huge new programs, given the lack of federal largesse required urban policy makers to sophisticated resource strategies out of the need constant coalition and majority building in order to formulate and legitimate policy. Finally, in Columbus it may be that the nature of communications between individuals and organizations responsible for implementation was having impact.

In 1976 the Columbus Mayor's Council for Economic Development met and adopted five general goals for Columbus and Franklin County. The five goals were to

.Maintain a positive growth rate for Columbus and Franklin County.

.Maintain the economic vitality of the Columbus Downtown area.

.Establish programs to reduce unemployment in Columbus and Franklin County.

Increase the economic vitality of the Inner City and minority participation in the economic growth of Columbus and Franklin County.

TABLE 6
MONTHS NEEDED TO COMPLETE MAJOR URBAN RENEWAL PROJECTS

% OF			STAGE		LAND DISPO- SITION
ACTIVITIES COMPLETED	LAND ACQUI- SITION	RELOCATION	DEMO- LITION	SITE IMPROVE- MENTS	
100	48	54	54	126	132
75	32	35	36	80	122
50	16	26	27	52	75
25	10	15	19	42	57

SOURCE: National Commission on Urban Problems, Building the American City (Washington, D.C.: Government Printing Office, 1968), Table 13, p. 167; in Caputo, Urban America, p. 128.

.Determine, develop and sustain a six-year economic development program.

To accomplish the goal of maintaining the city's economic vitality specific objectives were

.To increase the development, location, and expansion of those uses in the downtown area (such as office headquarters, hotels, convention centers, professional sports facilities, etc.) which will attract dollars generated outside the region into the local economy.

To increase the development, location, and expansion of public facilities (such as city, state, and federal offices, a civic center complex, and major cultural facilities) in the downtown.

.To provide and encourage those activities which contribute to the development and use of the downtown on a 16-hour per day basis.

.To encourage the inclusion of housing in multi-purpose projects in the central business district to support downtown activities.

- .To reduce downtown land use incompatibility.
- .To improve accessibility to downtown.

Although the idea of a convention center to enhance the economic vitality of the city had been conceived much earlier, the idea was now an articulated goal.

As these goals relate to Ohio Center's development, the setting of goals in Columbus' is unique insofar as this kind of activity relates to a sequence of formal specifications. Normally, and although various stages of the policy process interact, one would expect the goals to

be articulated prior to Ohio Center's objectives, which were ennunciated in 1975. In Columbus, however, various aspects of data collection, design, advocacy, and decision making preceded the official articulation of goals. As also related, one influential person told the writer, while both were in a sitting room with expensively carved paneling, at one time

This town was pretty well divided in about three different segments as far as the top leadership was concerned. The Wolfe family was going this way. The Lazarus family had pretty much done what they wanted to do on that. And then there was the rest of us. And that really isn't the way I think you should run a railroad. So I just invited everybody to a luncheon, a small effective group of the top leadership I didn't have anything I wanted to sell them or anything like that. First time around they didn't have any idea of what I was up too. Second time around I started talking a lot about And third time, I said one of you Columbus. ought to hold the next luncheon. And we decided we wanted to keep on getting together way...And somebody jokingly referred to the family.

Also and as related, a high ranking city development department official informed the writer

The Housing and Community Development Act of 1974...was a very significant piece of legislation..for the one reason it said that cities, you've got to plan your own futures, and if you don't, you're not going to get any money. So it forced everybody to develop a rational planning process. And I think its been very good...been a good experience for Columbus...for the first time, local government is proceeding in a rational manner to examine its priorities.

In 1974, Congress created the Community Developmment Block Grant Program to replace such old programs as Model Cities; urban renewal; grants for water and sewer projects, open space, urban beautification, historic preservation, neighborhood facilities; a**nd** loans for public and facilities and housing rehabilitation. But development policy meant different chings to people. And quickly the new block grants came under attack on two counts: "inequities in the formulas for distributing money to cities and within cities, and the failure to promote broader social objectives, such participation and the dispersal of low-income housing."2 Cities could easily spend their grants on new stadiums and convention centers to enhance central business districts while neglecting totally the needs of the proverty population.

As early as 1968, Columbus had brought in planners who would identify ten major projects downtown proposed to absorb the projected demand for downtown uses between 1968 and 1975, all linked to achieving strategic downtown goals. But it was difficult to formulate and approve community development goals in Columbus until 1976. Factors included in the original community development block

<sup>&</sup>lt;sup>2</sup>Ibid., p. 280.

grant formulas included population, overcrowded housing, and the extent of poverty. Then in 1977, to benefit cities in the east and midwest to a greater extent than the initial formula did, renewal of the program took into account physical deterioration, aged housing stock, and population losses, in determining grants. However, even with the election of a new mayor in Columbus in 1972, there was controversy in the community over the formulation and approval of new redevelopment goals and objectives.

Although a master planning effort in Columbus outlined the potential and future agenda of government in the area of redevelopment policy in the spring of 1968, a among business leaders and city officials commitment wouldn't come until the early 1970s. At the start of the 1970s, the city had no continuous planning process, and its development department allegedly produced proposals that did nothing but collect dust on shelves. Then came Ponte's "Action Program for Downtown Columbus," as a document around which business and city officials might make a But even though Ponte's proposals had been evaluated as sound, rational, and the kind needed Columbus in the 1970s, the orientation wasn't yet on joint As late as January 1976, shortly before development. promulgation of the city's economic development goals, a number of business and civic leaders expressed opinions about Columbus' growth. There appeared unanimous consensus the city had tremendous assets, but assessments varied over its image: a diversified economy, a good annexation policy, low unemployment, Downtown development, good government, and a high quality of life. A predominant worry was no one could confidently point out the direction the city was taking as it grew. The city lacked goals. Also the city's development remained subject to conflicting jurisdictions of several public and private organizations.

Beginning in the Spring of 1975 and gaining considerable momentum in 1976, economic development goals would be formulated and approved. But in that process considerable debate over the language used to state the goals supported earlier predictions that controversy would arise when specific programs were considered.

But given the wealth of arguments going on at the time, central business leaders were still not focused clearly on what the goals would be. Various interests questioned, for example, whether the economic development plan should set goals for the city, the county, or the five-county metropolitan area. Ultimately, though, the goals would be aimed at "Columbus and Franklin County" to "maintain a positive growth rate" "to include economic development." It seems then that one hypothesis offered by Stone, Whelan, and Murin is confirmed: the consensus that

prevails among American citizens is so generalized that any of a large number of disparate actions could be justified as being in accord with its precepts.

One of the specific organizations in Columbus which did not embrace the "new" redevelopment policy initially was the Columbus Area Chamber of Commerce (CACC). Perhaps though the nature of the chamber in the Columbus area in the early 1970s wasn't the rah! rah! booster type. And in early 1978, CACC leaders began openly discussing the whole purpose and structure of the organization, suggesting at the same time it become more aggressive. As part of this mobilization effort, one could sense crystallization in the business community as before the decade ended there was a board chairman and president, both very active To add, the Convention and Visitors community affairs. new allocations from the bed Bureau, with tax. launched a selling campaign, joining in with the Chamber's Central Ohio Economic Development Council.

the business community might have While some in policy direction with doubt reacted to the new and detachment, the preceding suggests decline in the salience of these attitudes. Generalized public sentiment towards these developments also appear declining. active public support for the requirement for redevelopment phase took place mainly . November 1971 when voters were required to approve \$6 million in funding "to purchase the union station site." According to the pluralist proposition advanced by Dahl and others, perhaps it is easy to "mobilize slack resources." But as Stone, Whelan, and Murin hypothesize this is not creating policy nor exerting influence. Later in 1974, members of the convention center commission would entertain the idea of mobilizing "slack resources" again, but would decide against the strategy.

the 1979, prior to writer's departing mid In Columbus, the city's mayor would call on the Metropolitan Committee to resurrect itself to join with administration in designing a set of bond issues to finance public projects. The committee variety of instrumental in securing the city's first bond package for \$24,700 in 1945 and sponsored 45 over the years totalling hundreds of millions of dollars. Traditionally, Columbus' voters had approved capital improvement bond issues every four or five years, with the most recent in 1963, 1967, 1971, and 1975. The 1975 package totalled between \$220-290 million that included \$40 million to be financed from income taxes, \$98.8 million from sewer system money, and \$80.2 million of water division money.

While the 1980 amount wasn't known, it was estimated the city's income tax base could support an additional

\$30-40 million of debt (the city income tax had yielded \$60 million in revenues during the previous year)

The November 1971 bond issue provides a special test popularity however. Based on reports concerning the difficulty in financing the center, most voters linked center approval with that of approving a sports arena as well. It is usually the case that the electorate must make certain broad choices directly, such as voting on bond issues or tax rates, even though they haven't demanded them. The vote was required because the city charter required vote on each proposed capital improvement project. The Union Depot package was but one of a number of capital improvement projects the city would submit in November. The Ohio Center Commission had made it clear the \$6 million would be sufficient only to acquire the land from the Penn Central Railroad. But as a result of the wording of the bond issue proposal on the ballot, and a somewhat misleading media campaign, the electorate would think it was buying bricks and mortar as well as land for a convention center/sports complex. Later, it would suggested the voters approve a bond issue in 1973 when the center's building commission ran out of money. they wouldn't be put to the test. This reconfirms earlier hypothesis: the mobilization or nonmobilization of

"slack" resources may only exert a temporary kind of influence. Voters wouldn't disapprove a bond issue; others would find the finances.

Another delaying factor in the convention center was the complexities associated with general political, social, and economic conditions of the times.

One of the initial questions associated convention center building was chat of financial resources. Bricks and mortar aren't made out of garbage or good intentions. By 1971, this problem had been seen and defined in Columbus when the Ohio Center Commission formulated and articulated plans for the center's construction to city government. As aforementioned, acquire land, the commission advised the city the Union Depot property could be bought for approximately The commission advised further city income tax million. money could be used to acquire land but it would not build the complex, nor could it operate the complex once it was built. The commission recommended, instead, this money come from secondary sources, such as parking lot revenues, mortgages revenue bonds space rentals of the exhibit hall sports arena, sale of aiı rights for development, property and hotel taxes, and federal funds available for transit development. Later that year, the public thinking it was buying bricks and mortar approved the \$6 million bond issue.

In October 1973, with formulating and legitimating activities in motion, city officials and community leaders must come up with funds to construct the center: Convention Center Building Commission was struggling. Between that time and the summer of 1974, alternatives were proposed to the center's finance These included general obligation construction. revenue bonds and even a countywide tax. However, citizens weren't approving such taxes in those days. But, sometimes not all relevant information on the problem and possible solutions is available. Additionally a lot of policy formulation and approval is invisible. Between 1969 and 1975, a series of alternatives would be formulated which would result in a coalition that would reach a decision on how to finance the center's construction.

Beginning in 1969, we see that in addition to popularity, we also confirm the notions that legality and the exercise of formal authority are vital resources in policy processes. At that time a Franklin County Probate Judge began filing a series of legal actions to force Battelle Memorial Institute to give up much of its accummulated wealth. Later that spring, the Ohio Attorney

General became part of the investigation. Also it revealed Battelle might come under scrutiny from Internal Revenue Service and the United States Congress. In 1973, the Ohio General Assembly passed Chapter 1728 of the Ohio Revised Code, titled "Community Redevelopment Corporations." This chapter rould permit private substantial receive real estate developers to abatements on new projects in blighted or deteriorating urban areas. And they could do so for up to 20 years on commercial developments and 30 years on residential During the summer of 1974, the "Battelle developments. Alternate" surfaced: the research firm would give up to \$36 new corporation to build and operate a to a In January 1975, the Battelle Commons convention center. Company became that organization. Sometimes alternative receives serious attention and consideration. elaborate coalition of interests an time. mobilized to result in an eventual compromise leading to Battelle's financing the center. Equally important though is we confirm Stone's hypothesis that some groups are able to use their resources not only to influence the outcomes specific decisions but also to shape the processes through which decisions are made. Moreover, given above description, it becomes clear that inequalities are dispersed.

The problem of resource acquisition didn't end with financing the center's construction, however, monies were needed also for the hotel. The failure of Battelle to mobilize resources toward this effort would be the factors leading to the selection of one of Galbreath interests to coordinate and interface the entire project. As Stone and others hypothesize, the developers could now bring special skills and knowledge into the process. Once the essential support was gained, financing for the hotel was obtained quickly as the Galbreath company mobilized the additional support necessary to provide the With federal largesse now limited. resources. successful huge redevelopment projects clearly complex, sophisticated, strategies of coalition building, compromise, and continued maintenance of such coalitions.

While the ballot in November 1971 would provide a special test for voters, they thought their "purpose" was one "for acquiring real estate. . . and to redevelop said real estate as a transportation, assembly and activity center, including facilities for mass transit, parking, and exhibition hall complex, a sports arena and other related or compatible uses." As related, very early on there was no effective vehicle to counter any misunderstanding of the downtown redevelopment program. Even when Clyde Tipton, Jr., a former vice president at Batter as Memorial Institute

was named to head the Battelle Commons Company to redevelop the union station area out of a compromise agreement, there was no fanfare. Through the early stages of the convention project, editorials and articles in both center Columbus Dispatch and Citizen -Journal showed support of the project. Over time this would change as a feud developed between Board member Wolfe and President Tipton. After the Great Arch and Venturi International controversies, the Dispatch particularly would launch a campaign to discredit Tipton. Eventually Tipton would be replaced with one more qualified than himself in the But amusement business. in the process, wonders one whether Tipton was in close harmony with decision makers or whether he was a protest leader given the extent he was After the local political situation became whipsawed. mudied. the Dispatch in particular became а dependable source of information and interpretation.

The "new" redevelopment officials themselves also contributed to the lengthy evolutionary period associated with implementation of the center's construction. In San Francisco, California, Mayor George Christopher appointed M. Justin Herman to direct the San Francisco Redevelopment Agency which assumed a highly positive role in developing

the Yerba Buena Center in San Francisco.<sup>3</sup> The agency in San Francisco became the center of a coalition involving other institutions which also shared an interest redevelopment. Herman used the full powers of this agency to mobilize the press, the business community, and the mayor's office behind his plan. In San Francisco, Herman, director of a semiautonomous body with vast amounts of independent legal, financial, and technical powers resources, independent of general municipal government, with its own board of directors, and possessing the power of eniment domain, was a potent force. Important allies of agency included the San Francisco Convention the Visitors Bureau, the Hotel Employers Association, and the San Francisco Chronicle and Examiner. Tipton had similar resources but not nearly the same support. But also, opportunities for profit don't always correllate with an agency's clearance preferences, determination of clearance sites, size, and redevelopment plans prior to expressions of interest by potential redevelopers. This is basically a reversal of what would appear as a normal sequence of steps.

The choice of the Union Station site to build Ohio Center, presumably a location with great commercial potential and a place where the transportation system had

<sup>3</sup>Judd, The Politics of America Cities, pp. 366-371.

great potential development and future expansion, was not made by those who would be selected to finance and build the center. A railroad station was not the easiest place to build a convention center. And while Battelle would be induced into financing and building the center, it took considerable time to get someone to finance and build the then when it was decided Galbreth would And interface and coordinate activities of both projects, many early plans were scrapped accommodate to interests involved. Original assumptions that the site would be easily acquired and the construction financed facilely were not totally correct in Columbus.

Finally, debilities in governmental support slowed progress in the center's construction. The "Battelle Alternate Plan" was agreed to in mid 1974, however the Columbus City Council didn't legitimate agreements between the city and BCC to authorize the latter to redevelop the Union Station site until June 1976. Earlier, when the Convention Center Building Commission was near bankruptcy, neither city nor county government wanted to sustain its economic lifeblood. Federal authorities also cancelled the \$6 million plus UMTA request. Also, Columbus Development Department officials were often at odds with BCC and it wasn't until construction implementation began that the city's development director became a figure at BCC board

meetings. Throughout the project's protracted evolution, we witnessed continuous contoversy between city planners and Battelle officials.

## Effects on Maintaining the City's Economic Vitality

The 1976 Economic Development Act set five goals:

Maintain a positive growth rate for Columbus and Franklin Count.

Maintain the economic vitality of the Columbus Downtown area.

Establish programs to reduce unemployment in Columbus and Franklin County.

Increase the economic vitality of the Inner City and minority participation in the economic growth of Columbus and Franklin County.

Determine, develop and sustain a six-year economic development program.

As partial fulfillment of the city's economic development goals, the building of a convention center was listed as an objective. Public objectives for the convention center which were listed for the center in 1975 are as follows:<sup>4</sup>

1. Develop a multi-use activity center through the private sector that is turned over for public disposition at such time that its operational viability has been demonstrated.

<sup>4</sup>Urban Consortium, Columbus Development Sites, 1975.

- 2. Develop an activity center that operates as the primary generator of convention activities as an integrated component of the Downtown fabric.
- 3. Provide for future expansion of development into multi-uses of a downtown and high density orientation with particular attention to indoor sports and mass transit terminal facilities.
- 4. Develop quality facilities with direct pedestrian connections which, in combination with the Nationwide Plaza and Federal Office facilities, provide a nucleus for continued revitalization of the northern sector of Downtown Columbus.

The actual as opposed to the intended effects of the "new" redevelopment on economic revitalization has become a major cause for citicism of urban redevelopment policy in communities. Critics contend that central-city business districts presents series of а economic, social, and political problems. To determine whether what is going up in downtown Columbus will trickle down would require a comparison of 1980 and 1990 census data on certain economic conditions before and after the "new" redevelopment. In 1980 the Ohio Center was near completion, Capitol South was being developed as were other areas downtown, and the I-670 freeway was being planned. By 1990, given the city's plans, it will be possible to compare in terms of many precise indices the effects of Downtown redevelopment on the city's economic vitality.

But even with the limitations of the data, it is possible develop a strong hypothesis supporting to the "new" urban redevelopment. criticism of Utilizing categories of data, one can speculate selected construct a broad outline of the extent to which "new" redevelopment and particularly Ohio Center will enhance the city's economic vitality.

The main criticisms of the "new" redevelopment on the economic vitality in communities are

- 1. Whether or not the cost of tourism outweighs the economic benefits for a significant number of cities has never been calculated -- there is a general lack of reliable information on existing convention business in the future; and it is likely that downtown economic interests always benefit, but it is also likely that taxpayers sometimes suffer a net loss.
- 2. Often, land to accommodate tourism replaces land which could be used for housing, schools, or recreation; and in spite of the argument that increased convention trade will serve as catalyst for further urban growth, conflict conflicts arise concerning the benefit of proposed projects to entrepreneurs versus the interests of small businessmen and residents, and the justification of cities' subsidizing future profits businessmen οf bу offering incentives to build or redevelop sites.
- 3. In their rush to attract affluent residents the cities will lose the cultural uniqueness which has characterized them in the past.
- 4. Even if revitalization is successful, measured by economic standards, it does not itself solve the "urban crisis," insofar as that crisis is defined in the relation to levels of poverty, unemployment, crime, and slums.

How do these criticisms pertain to the enhancement of economic vitality in Columbus? A very common problem with facilities such as Ohio Center in other cities has been those organizations promoting them have overstated the centers' revenue potential and understated their costs.

The Ohio Center was to be "an activity center that operates as the primary generator of convention activities as an integrated component of the Downtown fabric." Similar to other such developments, it was sold on the promise it would revitalize the Downtown, and also provide economic benefits to all by the creation of new jobs in the service and industrial area as well as the creation of new taxes.

It is possible, however, the Ohio Center, in the 1980s will cost the city of Columbus several million dollars in tax support. Today the center is up and on its way to becoming a multi-purpose activity center based on a mix of nearly \$80 million of public/private allocations. Under special arrangements between the city and Battelle Commons the land was leased to Battelle Commons for only \$1.00 per year for up to 75 years for development purposes. After 15 years the lease contains options for termination at five year intervals, but the lease can be terminated when both the city and Battelle agree to do so

based on profits and cash flow accruing from the redeveloped area and its operational costs. When and if the center will be turned over to the city is at this stage unknown given the vagueness of objective #1.

There are other developments in Columbus which may also cause the city of Columbus to lose tax support. large Downtown projects in Columbus are being the granted tax abatements as incentives for development. addition to Ohio Center, these include Nationwide Insurance Companies, and the Capitol South Development. Nationwide's tax increment financing with the city is quite unique. taxes, but the revenues are plowed back The Ohio redeveloping its surrounding areas. Center Project and Capitol South are in essence exempt from paying property taxes for 20 years. There are pros and cons to this but the argument for is that the value added by these developments will the in long-run compensate for short-term loss of revenues. Tax information for the Ohio Center site between 1963 and 1975 is shown in TABLE 7. The city no longer receives these porperty tax revenues. information contained in unpublished an received from the city finance director's office reveals the effect of tax abatements (TABLE 8).

TABLE 7

TAX REVENUES, OHIO CENTER SITE
1963 - 1975

YEAR		SESSED VALUE FOR XATION PURPOSES		TAX REVENUES
1963	\$	597,010		\$21,194
1969	\$	626,800		\$26,639
1975	\$1	,843,870		\$73,018
SOURCE Sites (1975)	:	Urban Consortium,	Columbus	Development

\$608,666.40

#### TABLE 8

# THE EFFECT OF OHIO REVISED CODE :728 CORPORATIONS ON THE PROPERTY TAX SUPPORT OF COLUMBUS PUBLIC SCHOOLS

NATIONWIDE PLAZA  Tax valuation-land improvements  1978 taxes due  1978 taxes paid  1978 abatement (paid to Columbus)  Additional tax revenue generated by adjacent garage  Net decrease in potential property tax collection  Loss in potential revenue to schools (75% of tax)	\$ ',373,143.33 22,137,500.00	3831.958.92 <u>-64.135.44</u> 5767.823.48 <u>-40.969.68</u> 5726.853.80	\$545	,140.35
MOUNT VERNON Tax valuation-land improvements 1978 taxes due 1978 taxes paid 1978 abatement Net decrease in potential property tax collection Loss in potential revenue to schools (75% of tax)	\$ 140,270.00 2,590,180.00	\$101,941.99 17,240.59 \$ 34,701.40 \$ 84,701.40	\$ 63	,526.05
OHIO CENTER  No tax abatement to date because  land was tax exempt before  1728 incorporation			\$	a. 10
CAPITOL SOUTH  No taxes will be abated until private construction begins			S	0.00
TOTAL 1978 property taxes diverted from Columbus Public Schools due to current ORC 1728				

SOURCE: City of Columbus, Office of the Finance Director. Spring 1979.

agreements

The above all sum to property tax increments which essentially would not be collected in the redevelopment area for 20 years. And obviously this money could be put to other uses, but there would be no new taxes in these areas.

Another criticism is that it is highly unlikely public facilities such as Ohio Center pay for themselves Battelle Commons officials have and benefit the citizens. long claimed the center will open debt free. And as a profits. make Convention center should officials in other cities argue these facilities don't make profits. Perhaps Ohio Center is unique though. This is so because it received \$80 million in "private" financing. But on the other hand the monies pumped into the project by the city are largely derived from bonds which almost always turn out to load an open-ended general obligation upon the Measures of the center's eventual economic success can be based on how Columbus ranks in the national convention market in terms of projected convention trade, numbers of conventions and delegates, revenues collected and attractions.

One of the interesting findings in this research was that while many small- and medium-sized cities are competing for a share of the business, large cities, with a multitude of entertainment, cultural, and commercial

attractions remain the primary drawing cards for conventions. TABLE 9 ranks the top twenty convention cities by their expected share of the convention market between July 1978 and June 1979. Also in 1978, Time Magazine listed the top ten convention cities and graphics (TABLE 10).

comparison to the preceding, in 1978 groups visiting Columbus according to CCVB figures totalled 815 (810: 1977), the year's registered convention delegates totalling 394,057 (304,000; 1977), and generated estimated \$50 million. In 1978, Columbus' five major Dowtown or central area hotels had 1366 rooms. When the Hyatt Regency is completed the total will rise to 2,000. There are also plans for a new hotel in Capitol South, and of course Nationwide Insurance Companies have their plans. 45,000 square feet of Veterans Memorial has existing exhibit space and proposes to add 65,000 square feet to that. Finally, the Ohio Center has an estimated 95,000 square feet. Will Columbus be competitive in the national This is the consumation devoutly wished in some market? corners. On the basis of the evidence provided above, Columbus is no Atlanta. A startling statistic, however, is

<sup>5</sup>Judd, Politics of American Cities, p. 374.

TABLE 9

PROJECTED CONVENTION TRADE, U.S. CITIES % SHARE OF % SHARE OF TOP 20 CITIES TOP 20 CITIES TOTAL ATTENDANCE TOTAL EVENTS IN TOTAL ATTENDANCE FOR CONVENTIONS (EST. MARKET) (EST. MARKET) TOTAL EVENTS July 1978-June 1979 July 1978-June 1979 1. Chicago/Oakbrook/ 9.7 4.8 i Yew fork, N.Y. Rosemont, Ill. 2. New York, N.Y. 3.5 hi\_a/o/Cakbrook/ 9.7 Ros asit, III. 3. San Francisco/Oakland 3.2 3. Jailas, Tex. 5.4 4. New Orleans, La. 3.2 4. itlanta, Ga. 3.8 5. Metropolitan 5. Los Angelos/Anaheim 3.8 3.1 Washington, D.C. 6. San Francisco/Oakland 3.6 2.6 6. Atlanta, Ga. 7. New Orienas, La. 3.1 2.4 7. Los Angeles/Anaheim 8. Denver, Colo 3.0 2.4 7. Dallas, Tex. 2.9 9. Houston, Tex. 9. Miami/Miami Beach/ 2.1 Hollywood, Fla. 2.8 12. Las Vegas, Nev. 9. Saint Louis, Mo. 2.1 11. Kansas City, Kansas/Mo. 2.7 11. Kansas City, Kansas/Mo. 2.0 12. Detroit/Dearborn, Mich. 2.4 12. Houston, Tex. 1.7 13. Metropolitan Washington, D.C. 1.7 12. Las Vegas, Nev. 14. Miami/Miami Beach/ 1.7 Hollywood, Fla. 14. Detroit/Dearborn, Mich. 1.6 15. Saint Louis, Mo. 1.6 14. San Diego, Cal. 1.6 1.4 16. Philadelphia, Pa. Boston, Mass. 1.5 1.4 17 Atlantic City, N.J. 16. Denver, Colo. 1.5 1.3 18. Boston, Mass. 1.3 18. San Antonio, Tex. 0.8 1.1 19. San Diego, Cal. 19. Philadelphia, Pa. 0.8 1.0 20. Louisville, Ky. 20. Nashville, Tenn.

SOURCE: Adapted from World Convention Dates. 63, No. 8 (August 1978), p. 3. Published by Hendrickson Publishing Co., Hempstead, N.Y., in Judd, Politics of American Cities, p. 378.

20. Seattle, Wash.

TABLE 10

TOP TEN CONVENTION CITIES BY NUMBER OF CONVENTIONS, DELEGATES ATTENDING, REVENUES, AND ATTRACTIONS OFFERED IN 1978

		NEV EXTEE	s, and arraditions o	TERES IN 1915	
CITY		# CONVENTIONS	# DELEGATES	REVENUES	ATTRACTIONS
1.	New York	875	3.75 million	\$600 million	100,000 hotel tooms 360,000 s.f. exhibit space in Coliseum 750,000 s.f. exhibit space planned in new center Culture, cuisine, communications, and superstores.
2.	Chicago	1,203	2.4 million	S515 million	44,000 hotel rooms 1.1 million s.f. exhibit space at McCormick Place 370,000 s.f. elsewhere Opera, theatre, museums, restaurants, shopping, nightlife
3.	Dallas	1,189	1.6 million	\$363 million	climate, sports, hospitality
4.	San Francisco	905	804,000	\$296 million	25,000 hotel rooms 541,000s.f. of exhibit space - museums, opera, symphony, theatre, restaurants, cable cars, atmosphere, views, wine country
5.	Atlanta	775	80 <b>0,</b> 000	\$212 million	28,000 hotel rooms 1 million+ s.f. exhibit space - cordial citizenry, historic sites
6.	Washington	350	750,000	\$247.5	15,000 Notel rooms 250,000 s.f. exhibit space - museums, monuments, performing arts, political contacts, capital glamor
7.	Houston	340	630,000	\$166 militon	30,000 hotel rooms 1.3 million s.f. exhibit space Astradome, shopping
8.	Kansas City	524	618,000	\$133 million	17,000 hotel rooms 186,000 s.f. exhibit space steak houses, symphony, shopping
9.	Las Vegas	400	600,000	\$225 million	42,620 hotel rooms 550,000 s.f. exhibit space shows and gambling
10.	New Orleans	770	535,000	\$139 <b>mi</b> llion	20,000 hotel rooms 330,000 s.f. exhibit space superb cuisine, nightlife, Superdome

SOURCE: Data adapted from Time Magazine, 18 December 1978, p. 59.

that if all cities having 50,000 square feet or more of convention space got an equal share of the trade, each would have less than six bookings.6

It is important to note also that Columbus can expect far fewer jobs from this type facility than has been promised by its backers. And those that will be provided will be low-skill jobs which usually account for 65% of employment in such industries. Other jobs may include professional, managerial, clerical, and sales categories.

But what the impact of the convention center will be on Columbus' economy is difficult to trace at this time. It is expected however to generate tax revenues even using the roughest estimates of how tourists contribute to municipal tax bases. It is anticipated this and similar projects in Downtown Columbus will serve the financial interest of downtown business and of city officials to secure new development given the interests involved. Urban redevelopment projects, to name a few, have centered around the construction of a new convention facility in cities York; Chicago; St Louis; Washington, such as New

<sup>&</sup>lt;sup>6</sup>Judd, The Politics of American Cities, p. 383.

<sup>&</sup>lt;sup>7</sup>U.S. National Tourism Resources Review Commission, <u>Destination U.S.A.</u>, Vol. 1, p. 106, in Judd, <u>The Politics of American Cities</u>, p. 378.

D.C. and Wichita -- expected to increase revenue, business, jobs. in Columbus, it As was anticipated projects would expand development of multi-uses downtown residential developments. encourage high-grade continue, the center will undoubtedly generate convention activities and be an integral part of the Downtown fabric. But, whether the facility will be the "primary" generator convention activities may be impacted by Veterans Memorial Auditorium. Should the latter be expanded it could become highly competitive. As to high-grade residential development, much depends on Phase II of Ohio and other projects. But with plans multi-family dwelling units and developments in Capitol South, this will probably come about. The sports arena and terminal facilities transit have been sources controversy. Whether a sports arena will ever be built and become an epoch-maker will require further mobilization of effort.

# Some Effects of Efforts to Revitalize the Downtown

A politics of economic growth has a persuasive logic as it relates to societal impacts. When a city's leaders pursue economic growth it is not entirely out of self-interest, and it would be misleading for anyone to characterize them as purusing only their self-interest. Members of Downtown progrowth coalitions usually feel that

their investment activities are what is needed to solve the city's social problems. Indeed, the argument goes that the city's survival depends upon economic vitality. the revenues necessary to provide quality public services and the jobs which can rid the city of social inequalities (low incomes and poverty), investment is necessary and sufficient. Α representative υf numerous business interests told the writer that Downtown development activity would definitely revitalize the city. Also

They will bring more people Downtown; they'll bring more vitality Downtown; and inevitably...residential development...I think it's all going to be a bonus, a plus, a real improvement for Columbus.

Another key decision maker opined

These projects will be completed, and they will work, and they will be contributive to our Columbus society.

In explanation, Dennis R. Judd writes<sup>8</sup>

The assumption is that investment leads to more jobs and a larger tax base. This, in turn, of raises the incomes city residents and public service improves the which can be city government. provided by Higher incomes to increased spending and consumption, which of course improves the general well-being of city residents. Better public services result in public improvements and neighborhood services such as police protection, education, streets, and so forth, which, in turn, result in general improvement in the quality neighborhood life. Increased spending and favorable consumption create business а which. of environment course, encourages

<sup>&</sup>lt;sup>8</sup>Judd, Politics of American Cities, p. 365.

investment, and on around the cycle again. would be of this model declining obverse business investment, decline in a taxes, lower incomes and fewer services, and so on, so that the city becomes worse and worse. Following the logic of this model, it is easy to understand downtown business how equate their own investment decisions with the general public good and why they become infuriated when "minority factions" get in the way.

While assumption of economic and social improvement are neither challenged nor altogether substantiated, often little attention is given to overall social and economic liabilities of these kinds. Inequalities may be dispersed, but often the effects are cumulative.

One of the questions asked in this study was would the center enhance revitalization and the economic activity leading to new jobs in the city. The overwhelming response, was yes the convention center in conjunction with the city's other redevelopment efforts would. Certainly, the decision to divest Battelle of \$80 million led to a redistribution of sorts. Also. there were numerous construction jobs provided. And BCC officials have spoken generally of the immense economic benefits that would be forthcoming to the community. But one of the things the writer could never find during the course of the research was an explicit statment of the exact impacts this new facility would have on the city. Perhaps as others argue, whether costs exceed economic benefits in this industry has never been rigorously calculated. 9 As in Columbus, there usually is a general lack of reliable information on present and future convention business, and the extent of trade and projections of economic benefits are usually based on guesswork. In many areas, as was found here, investing on the basis cities of insufficient are information, scarce sampling, and sketchy studies. If the growing pool continues, some cities might lose out. cost is growing increasingly favorable for reason sponsors, but unfavorable for convention individual cities. And, even large city convention centers lose money.

To continue, earlier the point was made, convention centers provide jobs, but perhaps, jobs that are primarily for the unskilled. Reflecting back briefly on Columbus' goals, one sees the desire to establish programs to reduce unemployment. As to whether this program and similar ones in the Downtown will enhance the economic well being of people, George Young hypothesizes there is a saturation level for tourism in a given locality, and if this level is exceeded the costs of tourism begin to outweigh the benefits thereby producing an unintended consequence. 10 Young makes two points: Low wage employment needed to

<sup>&</sup>lt;sup>9</sup>Ibid., pp. 381-82.

<sup>&</sup>lt;sup>10</sup>Ibid., p. 353.

service the tourist and convention industry can threaten the local employment structure, and tourism may provide less in revenue than it costs in services. What this would mean for Columbus in the first place is that if convention center jobs offer only subsistence wages, and hence do not appreciably increase overall wage income of the city or provide much income tax revenue, the jobs will offer little incentive for advancement, and the labor force is left unimproved since turnover rates are high. And with these jobs being less than career intensive, workers may incur problems supporting their families, and we could look for increased government welfare support. On the second point, visitors to Columbus will require city services such as police and fire protection, airports, transportation and Ιf are increases in these there associated with Ohio Center and other projects, Columbus and find itself subsidizing tourism may convention-generated jobs as well as providing services which might drain city revenues unnecessarily.

Another goal in Columbus is to maintain a positive growth rate. Throughout this research, one of the major concerns expressed by Columbus' citizens was the problem with its school system. Many, assuming a positive correlation between the city's growth rate and the quality of its schools, feared the affluent might not come to

Columbus. One of the potential liabilities of Columbus' "new" redevelopment policy may be the city's school system which is funded through property taxes. The city's tax abatement policy for Downtown developers, discussed earlier may have a secondary yet visible and perhaps unintended impact upon the school system.

As related, in November 1978, Columbus' independent public school systems were faced with a closing unless it received an emergency state loan of more than \$8 million. 11 The school received an \$8.6 million loan from the state. 12 In 1979, the school system facing a \$11.6 million deficit might not make it to school closing. 13 Local banks bailed the system out. 14 In October 1978, the president of city council recommended the city investigate the legality of using city funds to help the financially strapped city school system. 15 The councilman, in response to a Columbus School Board resolution, wrote to the city attorney,

<sup>110</sup>hio State Lantern, 22 February 1979; and New York Times, 20 November 1978.

<sup>12</sup> Columbus Citizen-Journal, 29 June 1979.

<sup>130</sup>hio State Lantern, 28 March 1979.

<sup>14</sup> Columbus Dispatch, 16 May 1979.

<sup>15</sup> Columbus Dispatch 19 October 1978.

Inasmuch as the schools are pressed for funds, the matter of reimbursing the school system for payments, in lieu of taxes, in the amount that is lost to that system through tax abatement should be considered.

City officials rejected the idea on the grounds it was misleading to believe the school system lost money through tax abatements. New construction, it was argued, would generate larger amounts in tax payments. In May 1979, a bill was proposed in the state house that would allow schools to impose an unvoted income tax against individuals if schools borrowed state money and couldn't pay it back otherwise. 16 The compromise reached was if schools running out of money had to borrow state funds, meeting certain other requirements, they could go to the voters for an emergency tax of up to one mill to continue operating and pay back a loan, with the tax being imposed for up to four years. 17 Columbus's school system had borrowed state money but would not turn to the emergency tax to ease financial Voters in Columbus had refused real estate tax increases to finance their local schools in November 1976, November 1977, June 1978, and March 1979. $^{18}$  Perhaps as an

<sup>16</sup>Columbus Dispatch, 7 May 1979.

<sup>17</sup> Columbus Dispatch, 6 June 1979.

<sup>180</sup>hio State Lantern, 22 February 1979 and 28 March 1979.

added explanation though, voters express strong predispositions on public expenditures involving social citizenship issues.

As related, on 19 April 1976, a federal judge in Columbus began hearings on whether Columbus public schools were illegally segregated. 19 In early 1977, he ruled that Columbus had been knowingly segregated as a result of local school board decisions. Higher courts later upheld the judge's decision. Government at all levels have spent more on education than any other domestic programs. In some cities this no longer seems to be one of the important essentials. In general, urban school districts in both the north and south have struggled with the problems of racial balance in the schools for nearly 30 years; yet today it remains one of the single most difficult policy questions. But back to the point, decreases in property tax revenues are correlated with decreases in the school system's operating revenues in this city. The justification of cities' subsidizing future profits of economic interests by offering tax incentives to build on redevelopment may have unintended but direct consequences.

On another point of contention, Columbus has been remarkably consistent in following its preexisting urban

<sup>19</sup> Columbus Business Forum, January 1977.

policy. the 1950s and 1960s redevelopment In In the 1970s site clearance clearance was the approach. In many cities today the site-clearance still continues. emphasis has given away to restoration and renovation. the trend οf preservation Those following recent maintain a creative balance fear principally a loss in the cultural uniqueness of their cities. Whether or not this approach is accepted, generally, however, depends upon the individual city and on the particular activities of those creating redevelopment policy. similarly to For trying to get sports arena on the agenda, preservationists in Columbus have faced several barriers to political influence. In support of the revisionist hypothesis, it is not easy to mobilize slack resources, and even if such resources are mobilized public officials have an array of tactics to limit effectiveness. The Union Station arch episode and its attendant politics is clear enough in this regard. This episode also clearly shows the relationship between recruitment and appointment processes and the extent to which groups have a voice in influencing downtown redevelopment activity. To add, such institutions the city's nonpartisan elections and at-large associated constituencies are usually with lessened response to neighborhood groups and minorities in other communities. As Lawrence J. R. Herson has noted, the legacy

of the reform venture was rich in purpose and ambition but resulted in consequences probably neither planned for nor On the other hand such structures are often anticipated. especially responsive in seeing policy preferences from Downtown business groups adopted. If the reader briefly reviews chapters covering formulation, legitimation, and implementation in this dissertation, he/she will observe that large numbers of interests which might otherwise be concerned about access to promote their points of view on Downtown developments were not involved. Members of various neighborhood organization, community groups, and poor people's organizations informed the writer they were not involved in the planning nor implementation of Downtown policy programs. As related to this, one of Columbus' most influential businessmen told the writer

I've seen a few instances or two when the deliberations were pretty closed. And that was a real knotty one when you were trying to get something up and moving. I can truthfully say though anybody could have said things and have it heard in the whole process. There is not an insensitivity as toward any group of people.

The leader of a Black neighborhood development association in explanation of non Black involvement explained "those are white people's projects," however. Perhaps some of these people feel they do not have routine access to official bodies, nor do they have official standing.

Perhaps, though, there is a broad representation, for the Mayor's Economic Development Council represents a broad spectrum of interests in the community. Also the BCC board of trustees had one Black member. In addition the BCC restructured to include two non-voting city of Columbus representatives. But is this influence? Perhaps not. The general feeling from the interviews was that only the Downtown interests saw their policy preference adopted. Besides throughout the early policy stages in Ohio Center's development, decisions were made by a group of nine men who often met in "executive" sessions. Not until late in the activity's development was the city even allowed to have representation on the board. And even then, representatives attended meetings in a non -voting status.

As a summary point, a criticism closely related to the preceding discussion on preservation is that Columbus' continued attachment to certain preexisting standards is Earlier in anachronistic. this study, Columbus compared with other communities which are involved in or have undergone redevelopment activity. Atlanta, Pittsburgh, Louisville, and Kansas City were mentioned to name The most readily observable point similarity within these communities is the existence of a prevailing coalition, although often temporary, within the redevelopment community. For what as been observed in most is that traditionally established interests have greater access to and more influence in formulation and legitimation processes. And in each instance this coalition has been brought together as a partnership of shared interests, usually, to promote policies of economic growth in the community. But there are some sharp contrasts between these cities and Columbus even though they have been compared in terms of time-tables for development and application.

Unlike many of the other cities, Columbus has maintained and enhanced its economic base through an aggressive annexation policy. Also the city with its diverse economic base isn't and hasn't been a major industrial center and as a consequence isn't unionized. Relatively homogenous, it is only recently becoming racially diverse. Finally, city government has often boasted of its balanced budget each year. And while the city's school system has experienced problems, city leaders have not had to call in Felix Rohatyn, "Mr. Fixit," from New York's Municipal Assistance Corporation for consultation. 20

<sup>20&</sup>quot;Mr. Fixit for the Cities," Newsweek, 4 May 1981, pp. 26-35. For beleagured cities, Rohatyn recommends a Reconstruction Finance Corporation to lend needed capital to struggling cities and businesses, and tight management, wage restraint, and investment at the local level.

A brief view of some findings from other cities follows:

Kansas City: 21 An estimated \$30 million is needed to repair 254 bridges and replace 18 others. The city has budgeted only \$300,000.

Cleveland: 22 In 1981, the city was forced to cut services, lay off 450 municipal workers and postpone needed capital improvements. School system was kept operating in April 1980 only by a \$33 million bailout from the state. Population is now 574,000 down by 27 percent from 1970. \$47 million in debt. Needs \$900 million to improve basic water services.

Detroit: 23 Nearly bankrupt. Began 1981 fiscal year with \$119.6 million budget deficit and will start fiscal 1982 short another \$150 million. Frozen out of the bond market. Unemployment rate is nearly twice the national average. Middle-class residents have fled the city, and about half of the residents who remain receive some form of public assistance. Mayor has instituted a program to raise

<sup>21&</sup>lt;u>U.S. News and World Report</u>, 18 May 1981, p. 84.

<sup>22</sup> Ibid., and <u>Newsweek</u>, 4 May 1981, p. 35.

<sup>&</sup>lt;sup>23</sup>Newsweek, 4 May 1981, p. 33.

income taxes for residents and commuters, hiking bus fares from 60 to 75 cents, cutting wages 7 percent for police and fire fighters and 5 percent for other city employees, reducing the city work force by 1,249 trimming many city programs and selling \$100 million worth of special deficit bonds. Powerful municipal unions are angrily resisting the pay cuts.

St Louis: 24 Population now 453,000, only half of what it was in 1950. Approximately 300 manufacturing plants, employing 58,000 people, have closed or moved since 1970. Will end fiscal 1981 with a \$10 million budget deficit, and city officials expect a \$70 million shortfall in 1982. Will lose about 1,500 city jobs - nearly one-fifth the work force. Has only 61 square miles. With metropolitan area around the city thriving, new office towers and downtown malls are planned to attract suburbanites.

Louisville: 25 Three square miles of downtown sewer system damaged by the dumping of harmful chemicals in 1977 were racked by explosions in February 1981. A three-square mile section of the sewer lines near the center of town were cut off. And all north-south arteries for a 14-block area were cut. Layoffs are in prospect. 1880, 1900, and 1970-era

<sup>&</sup>lt;sup>24</sup>Ibid., p. 35.

<sup>&</sup>lt;sup>25</sup>Ibid., p. 35.

sewers were blown up. \$40 million needed. Federal emergency aid will cover 75 percent of the \$40 million and Louisville may be hard pressed to come up with the balance.

What is found in these cities are dire conditions of political, social, and economic importance which must be supported by political power if urban decay is to be stopped. In these instances governments might be compelled to advocate and provide a continuous arbitration system under which public policy is never regarded as being in Most interests must at least final equilibrium. considered by the decision makers. Perhaps these kinds of concerns, rather than an involvement which is tied to applications for benefits motivated a close public/private relationship in these communities. Equally revealing is the following table which shows how older cities have lost millions of tax-paying residents (TABLE 11). Columbus is not losing population at these rates. In general, while many older cities are struggling to rebuild and coordinating their political and economic strategies survival. Columbus is marching into the post-industrial world of computers and semiconductors in grand style.

To maintain a six-year economic development program to enhance the Downtown Columbus would also maintain economic vitality of the inner city and minority participation. Presumably this means helping the small

TABLE 11

CENTRAL CITY POPULATION LOSS
BETWEEN 1970-80

CITY	POPULATION 1980	PER CENT CHANGE SINCE 1970
St. Louis	453,000	-27.2
Cleveland	574,900	-23.6
Detroit	1,203,000	-20.5
Philadelphia	1,688,000	-13.4
Baltimore	787,000	-13.0
Boston	563,000	-12.0
Chicago	3,005,000	-10.8
New York	7,071,000	-10.4

SOURCE: Adapted from Newsweek, 4 May 1981, p. 28.

businessman and Blacks as well. The old urban renewal projects were notorious for their negative impact on small businessmen and Blacks. Perhaps the economic development goals of today are equally conflicting.

For the politics of least resistance will be played out at the southern end of Downtown unless the policy preferences of small businessmen are listened to. decision to build Ohio Center itself did not displace people other than a few small merchants. Perhaps though its building angered a few preservationists who preferred the Old Union. Station be renovated to function as convention activity.<sup>26</sup> But indirectly the center impact in that its companion development at the south end of town may displace small businessmen as it comes to life as a "people activity." The city has pumped about \$20 million into the project, and on 25 June 1979, it was announced the city's most influential development interests agreed with the Capitol South Urban Redevelopment Corporation to construct a \$40 million, 550-room hotel.27 This added to some \$35 million in office buildings that would be built in the site-clearance area. Already under construction was a \$5.3 million urban center expected to be

<sup>26</sup> Columbus Dispatch, 1 August 1978.

<sup>27</sup> Columbus Citizen-Journal, 25 June 1979.

completed by Christmas 1979. Conflict has occurred over that development raising a variety of issues related to financing, tax abatements, and the perceived close alliance between business and public officials. Given that this project will be implemented in all likelihood, one should watch for the following effects: the movement of small businessmen out of this area in numbers relocated, relocation assistance provided by government, and the quality and vitality of the business once relocated.

There are other indirect impacts from the "hub" of will activity though. For example how Downtown redevelopment activity in Columbus impact the Black community? Some anticipate the Mt. Vernon Avenue Plaza to be the catalyst toward development in Columbus' near east Former President Carter visited the Plaza for its dedication in 1978 stressing its importance. Some even expect, as one involved in that project told the writer, the plaza to benefit as motorists travelling between the airport and the Downtown, on the proposed I-670, stop off to shop. This may occur. But as millions of dollars resulting from local formulating and legitimating activities are going in Downtown and at the airport, the Vernon Plaza defaulted in its near \$14 development in the spring of 1979.28 While some relate the

<sup>28</sup> Columbus Dispatch, 22 April 1979.

problems to the nature οf its implementing organization, there has been considerable controversy in community over this project. Primary issues contemporary urban politics often involve the revitalization of business districts and neighborhoods.

while business has prospered in general Columbus, it might be argued, minority business has not. $^{29}$ As background, between 1978 and 1979, approximately \$100 million was spent by the city on various goods and services, while less than \$2 million of that went minority business owners. In order to rectify situation, and at the urging of one of the city's two Black City Councilmen, the city agreed in June 1979, to formulate legislation to council to hire a consultant to design a program to help existing minority entrepreneurs compete for city business as well as to create new business. efforts in this direction included the city's creating an office of contract compliance in 1975 and a minority business development section within the Department Development. The contract compliance office aimed efforts toward insuring that contractors hired by the city opportunity employers while equal the business development section had done such things as help

<sup>29</sup>Columbus Citizen-Journal, 29 June 1979.

minority business companies meet bidding requirements and obtain necessary bonding. While the city has made some efforts to direct business to minority companies, a city council member noted "none of it has come together." The new consultant was expected to do two things: (1) find existing minority contractors and suppliers and show them how to get a piece of the action; and (2) show the city how to encourage the development of new minority businesses.

To continue there also was a strong feeling around town, that the powerful business and corporate interests had been somewhat detached from the poor. In support of this view, a leader of a large organization concerned with the poor argued that some of the more prominent people in Columbus had forgotten his organization: 30

When I first came here there seemed to be a willingness on the part of liberal businessmen to actually do something about the problems of poor people in the inner city, particularly, Blacks. Those people now seem more interested in their profit and loss statements. . . I'm very disappointed. I think all of the plans for bricks and mortar projects won't be worth a tinker's damn if you don't do something about people problems first.

And, the poverty warrior made it clear he was referring to the Convention Center and Capitol South development projects and others.

<sup>30</sup> Columbus Citizen-Journal, 20 April 1979.

In addition, an Ohio State University professor expressed the view that wide ribbons of freshly-built freeways and gleaming new office buildings weren't always beautiful to Columbus Blacks. The professor called freeway construction and urban renewal things which can "dislodge, dislocate, disorient and otherwise disturb Blacks." Speaking at an Afro-American heritage setting, he went on to say31

Without exception, these things (freeways and urban renewal) run through poor neighborhoods. The destruction of Black neighborhoods separates family members and destroys feelings of community involvement. The most important institution uprooted is the church.

The point of intensity has been reached.

· · Of ominous proportion to many in the Columbus community is the possibility the I-670, if it is built, and addition to other positive and negative outcomes, will rip through Black residential areas in the near east side. Neighborhood organizations have mobilized against approximately \$200 million expressway link, and writer left Columbus, the controversy remained the formulation and legitimation stage.

In the case of the I-670 freeway proposal, citizens have had considerable access in formulating and legitimating aspects of that proposal. That situation is

<sup>31</sup>Columbus Citizen-Journal, 26 October 1977.

unique, however, and may reflect the presence of factors beyond the control of implementers: The federal government requires citizen participation in the planning process of new highways in communities. But many times, even with an effective voice, government and other organized interests may proceed as if the sole task is application. And some meighborhoods may fall victims to such extensions. influence. does not necessarily mean While there arguments for enhanced mobility and the need to link the Downtown to the airport, it seems though, highways may continually be built through paths perceived as being least resistant unless neighborhood policy preferences adopted. Civic Legitimacy has not yet been provided this project. According to one who will play a prominent role in the I-670 decision process, the individual placing the I-670 proposal on the agenda

went to various parts of the business community, went to various segments of the neighborhoods to be affected, including significant leadership of the Black community, and they all rather liked the idea because it served a couple of the purposes. It would link Downtown it would provide airport. a much transportation corridor from the center city to the northeastern part of the county, and we have numbers people enormous οf the in northeastern part of the county who work or shop in Downtown and who have the traffic or create the traffic which is being routed on a variety of streets through. To the Black community in the near center city, it offered an opportunity for linkage because essentially, Broad, Spring, and Long are their only linkages now. And since Mt. Vernon was improvidently cut off brought by

the freeway construction some years ago - and that was a real battle, long before my time - it opened some promise of economic development opportunities in that Black community, so it was wide spread approval as we started out. that time, there has been some vociferous, but in numbers, substantial kind the objection from members from the Black residential community farther east, which actually quite nice residential communities, high grade housing stock, upper-middle income Blacks who are very proud of what they've accomplished and of what the neighborhood is. And they've objected. There have been a few opportunists all over the place who have also joined with those people in legitimate protest. And its been through extensive hearings on behalf of the federal government and the ODOT. And, in fact, as a result of those hearings, additional studies have been made and we are now the process of awaiting some of studies, trying to minimize additional impact on the residents.

In terms of previous impacts on the Columbus community resulting from decisions to build highways, a Black citizen who had long observed very carefully past trends in Columbus told the writer concerning I-71

Coming down through here, the street alignment was Hamilton Avenue, Lexington Avenue, Jefferson Avenue. What was Lexington Avenue was a complete wipeout in this part of the city...And the area in the Linden area that is impacted on was in an area in which Blacks first moved into the city. You had the fresh impaction on Blacks You had here the alignment...was sought of snaked around two Black landmarks down in this part of the city. They snaked around Shiloh Baptist Church at Mt. Vernon and St. Paul A.M.E. Church right here on Long Street. abuts both properties. On the west side of I-71 touches the land boundary of St. Paul over here and the East side of it at Shiloh. But they realigned the rights of way to keep from wiping Church those nbols two

But they deadened Mt. Verron Avenue at a point that negated...disrupted the traffic flow from Downtown Columbus to the oldest business section of the city which had been inherited by Black Vernon entrepreneurs. Mt. Avenue was business hub of the old railroader community. White railroaders lived in the area adjacent to and around the Mt. Vernon Avenue businesses. For years, Mt. Vernon and 20th was one of the busiest business centers at community level anywhere in the country, for generations. impact of the freeway was almost instantaneous on Mt. Vernon. You could feel the loss of traffic there because it steered people around and away from a street that the traffic coming from the Downtown Columbus who drove right through Mt. Vernon Avenue going east, because Vernon Avenue took you right through Eastgate across into Bexley...And you know the old kinds of thinking that people have...that particular enterprise, they had an East Market, a fresh produce facility that some of your truck gardeners and the farmers on the perimeter of the city would bring their goods in to sell in the East Market for years. And it was one which attracted folks from all over the county in to do their shopping, and particularly throughout the Black areas of the city, people liked fresh greens, fresh meats, and that kind of thing. It was a big attraction. We maintained that for many years until the erosion of traffic into the area by the terminal of Mt. Vernon.

## And as also related

The I-71 strip came down the center of the city, and it came or went right through parts of the In fact, alignment community. the impacted almost throughout its course existing houses of the Black community. has been no public highway construction in the center of this city that has not had its major, preponderant impact upon Black families, Black homes. Nearly all...every urban renewal project of any consequence in the city has disrupted the lifestyle of some Black families. Somehow or another we wind up close to where they are building freeways or highways. systematically...talking about how Linden was developed, somehow or another, we moved into Linden just in time for somebody to plan some highway construction. And of course you know people make these 10, 15, 20 year plans, the Development Committee and this kind of group. They do this long-range planning, then the mortgage and banking interests make it possible for Black people to acquire properties in those lands that they are going to ultimately quit...the housing patterns in Columbus have been the most strategically planned patterns you can ever conceive of...vested interests in this community timetabled every phase of development—as much as a chemist in a laboratory puts the ingredients in a formula.

point, yet another CBD get to the neighborhood issue has been raised by critics. Pointedly, maintain and enhance the economic vitality of Columbus community, yet another highway must be built with its associated impacts. Of even more importance though, the caual observer can conclude, as in the case of Capitol the political process favors those South. associates in forming and overseeing public policy. Neighborhood interests using the I-670 proposal have been categorized as "protesters," and as the process continues, the mobilization of "slack" resources in face of a threat may not be necessary and sufficient if these people cannot dramatize the issue in such a way that they can activate those who do have power to support their cause. The casual observer also notes opponents have organized community, gotten media coverage, allied with those who have important resources and gained a sympathetic mass

audience. Yet when this writer departed Columbus, the controversy continued in the formulation/legitimation stage. But "what's good for business is often good for the city."

Commenting on I-670 potential impacts, an influential Columbus citizen told the writer, however,

We have not been able to honestly do a very good job of taking care of dislocations in the past. there's stigma against highway So а It's an organized effort to keep construction. it from going on, and I'm not sure how many more major projects that involve dislocation are going to be pulled off. I use I-670 as an example...we can say the same thing about 315 going north, and I've seen the other development around it. If we had done a little better job relocating people and holding the cost of dislocations for those people, there wouldn't be as much of a stigma again, as there is right now. So, I would like to see us include in the cost of the project the overall project cost, the social costs, monies as well as the common project cost that you would have. And then start with the...how many groups were involved in the planning. Some of them, I think were done without sensitivity to the social costs There was an input, probably because aspects. it was a forced input; they were forced to pay attention to it, and in many instances, I felt it was too late in the planning process.

A study prepared by the I-670 Joint Development Task Force, makes a statement about specific opportunities for the application of the city's economic development goals:32

<sup>32</sup>I-670 Joint Development Task Force, I-670 <u>Joint Development Reconnaissance</u> (Columbus: Mid-Ohio Regional Planning Commission, March 1977).

- The Mayor's Economic Development Council has established five goals for the Columbus Metropolitan Area. Goal Number 'increase applicable particularly to vitality οf Columbus economic the Inner-city....' There are many opportunities for increased economic development and further redevelopment. base The good that already exists can be used in conjunction with the added impetus generated by I-670 to further development. Existing positive attributes of the corridor include:
  - A. Mt. Vernon Plaza
  - B. Mt. Vernon South
  - C. Ohio Center
  - D. Ft. Hayes Education Center
  - E. Strong industrial/commercial base near

## Joyce Avenue.

- F. ConRail facility expansion plans
- G. Available vacant and underdeveloped land.

While there are "existing positive attributes of the corridor," TABLE 12 hypothesizes in impressionable fashion a distribution of effects associated with I-670's effort "to increase the economic vitality of the Columbus Inner city."

TABLE 12

I-670 ALTERNATIVES BY

SUMMARY OF RESIDENTIAL AND BUSINESS DISPLACEMENTS

## ALTERNATE ROUTE

EFFECTS Households	NO-BUILD	<u>H</u>	Ī	<u>1</u>	<u>HJ</u>	<u>JH</u>
Displaced	8	155	177	137	211	137
Owner Households Displaced Tenant Households	7	84	95	72	121	72
Displaced	1	71	82	65	90	65
Persons Displaced	29	762 <b>*</b>	564	734 <b>*</b>	700	732 <b>*</b>
Number of Elderly Displaced	2	347	65	324	45	326
Businesses	3	19	28	24	20	23
Employees	94	571	505	988	439	958
Institutions	1	7	8	10	8	8
Total Project Cost \$millions	50	230	284/ 313	239	223	244

<sup>\*300</sup> elderly

SOURCE: Data adapted from City of Columbus, "Involvement 670: The I-670 Newsletter," No. 25, 7 April 1978.

Without providing more extraneous detail, the "preferred alternatives" are HJ and JH. However, this is not the most important point since costs at the terminals must also be included. But most important, what has been overlooked has been government relocation assistance, gains in numbers of homeowners following relocation, and the quality of housing/rentals/businesses after relocation. At a minimum the building of I-670 through the East side of Columbus will have impact.

While impacts vary, projects appear not to have had an unintended impact upon public officials. One of the questions asked in this research concerned whether or not relations between the mayor, council, and the bureaucracy would be affected, as well as their electoral fortunes. The general response was "not unless the projects failed." Based on the evidence, the mayor, council, and the bureaucracy have all supported the projects. How can they fail? As Dennis Judd argues 33

Since city government itself lacks sufficient resources to remedy either the social or the economic problems of the city, city politicians are forced to pursue economic growth in the hope of improving the tax base. The health of the central city is thus defined as the business investment which can be attracted. Local political leaders have little alternative. If

<sup>33</sup> Judd, Politics of American Cities pp. 365-66.

they fail to join a coalition of financial institutions, they are left bereft of the necessary resources to accomplish any useful policy. Since the business coalition is the only centralized source of power in city politics, city officials can hardly afford to ignore its strength.

Also and in relationship to the above, a Columbus city political official informed the writer

The reason that I am pro-business is because business provides jobs, and jobs make income, nd it takes people to earn money. There is no source of money that comes to the city to give the neighborhoods unless you have business and jobs. So I suppose that I can be legitimately characterized in the trickle down The fact is that business cannot theory. compete in a downtown area; it cannot amass land, it cannot provide public transit, it cannot make the kinds of investment necessary unless it has some help. And the biggest help that we give is Number One, the ability to amass land in quantities that are necessary to attract business.

In 1979, Columbus' incumbent mayor ran for reelection. The challenger voiced concern over the mayor's inordinate support of Downtown vs neighborhood needs, areas needing help being the Milo Grogran area and the south side. 34 The incumbent mayor was reelected.

A point of interest concerning the entirety of the Downtown's development is worthy of note. An expert in urban planning made the following remarks to the writer:

<sup>34</sup> Columbus Dispatch, 4 February 1979.

[would] a city the size of undertake two major redevelopment efforts, both of which may be big enough that they can't be pulled off and do them so far apart. If you would start at Nationwide Plaza, which is across the street from the soon to be built convention center, and start walking south til you got to the area which is going to be Capitol South, you would have walked through an area that is as long or is longer as the area is in the principal downtown area of Chicago which has six million people. There are not any cities with a million or two million in America that have a downtown with high-rise office buildings and other kinds that we are talking about in these areas that is that large and extensive. Furthermore, much of the development Downtown Columbus has moved out east Broad. addition to going north and south, some people are playing around with east and west. what Columbus has done in a development manner is moved toward a dispersed multi-center But Columbus is less than a million downtown. people. In fact it is less than 800,000 people.

But as a principal figure in one of the city's agencies told the writer

Well the convention center and Capitol South are both Downtown projects - a part of realization that communities all over country have made sure we're only as strong as that central core. Most communities call that Downtown, but that always has been where the action is, and I think it always will be where most of the action is. It's the viable meeting place, shopping place, or whatever, simply because it is centrally located. And, again it terrific infrastructure. Its got all those arteries coming in from directions...We're interested in the Downtown. We should be carrying out public and private actions to make sure we don't lose the viability of it and again restore it to its maximum potential.

## CONCLUSIONS

To conclude, I will present some final notions related to the overall pattern of decision-making observed in the urban redevelopment policy-making process in Columbus, Ohio. Essentially, decision-making in Columbus can be reviewed in terms of "Rings of Decision Makers." FIGURE 1 depicts this basic set of relationships.

1. The greater the economic stakes, the more business and financial interests in the Columbus community are compelled to compete for and control the rewards of political action.

At the center of the urban development policy process in Columbus is a core group of decision makers who make all significant decisions which immediately or prospectively alter, expand, or contract the existing pattern for allocating scarce public resources in the area of urban redevelopment. As related, Dahl found in New Haven<sup>35</sup>

In initiating and coordinating the redevelopment of the city, then, the leadership was chiefly official, and the most important center of direct influence was the Mayor and his redevelopment team.

To continue, Dahl defined three leadership patterns:36

1. Covert integration by Economic Notables: In this pattern the top leaders consist of a unified group of private citizens who arrive at agreements about policies by covert negotiations and discussions carried on in the privacy of their clubs, homes, business firms, and other private

<sup>35</sup> Dahl, Who Governs, p. 137.

<sup>&</sup>lt;sup>36</sup>Ibid., p. 184-188.

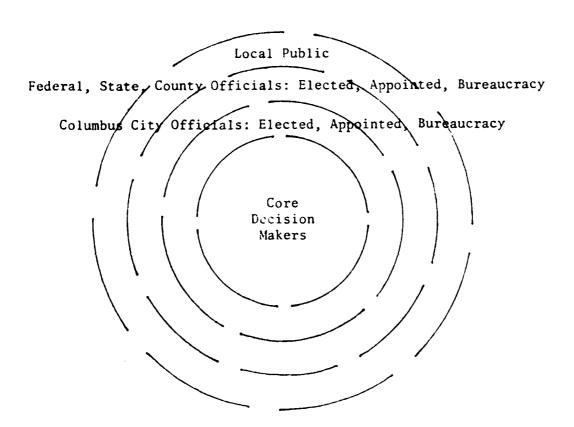


FIGURE 1 . Rings of Decision Makers: Columbus, Ohio

meeting places. Leaders gain their influence from their wealth, high social standing, and economic dominance. Usually the leaders are wealthy executives in important business firms.

- 2. Executive-Centered Coalition: Mop leaders are more likely to comprise a coalition of public officials and private individuals who reflect the interests and concerns of different segments of the community. In this view, a coalition is generally formed and the policies of the coalition are coordinated largely by elected leaders who draw on special skills and resources of influence that leaders without public office are not likely to have.
- 3. Rival Sovereignties: In this system each issue-area is controlled by a different set of top leaders whose goals and strategies are adapted to the particular segments of the community that happen to be interested in that specific area.

What Dahl found in New Haven was the Executive Centered Coalition. My observations in Columbus are different.

In Columbus, a core group of business and financial leaders were observed in close proximity with public officials in forming and overseeing public policy. This was especially so in the case of Ohio Center's development as private interests competed for investments. Columbus city government had no formal representation on the Battelle Commons Board until Summer 1977, and all meetings and deliberations were closed to the public. Moreover, it was not until Galbreath interests would "coordinate and interface" the center's construction was the process made more open. What are we to conclude? Given the concern to promote economic growth in Columbus, "keep up the tax base,"

and create a favorable climate for business activity, there has been a natural tendency for business and financial interests to be at the core of planning and implementation of major redevelopment projects in the city.

While this leadership pattern is suggestive of "covert integration by Economic Notables," perhaps it is appropriate to label this group as a "Business Centered Power Bloc," given the community of interest expressed above. Who are these people?

There are many sophisticated ways of identifying a power structure, but a simple way is to identify the set of relationships among community roles, durable over time, through which relationships scarce resources (of substantial scope and volume) are allocated (involving decisions by governmental agencies) in a community. According to the New York Times 37

Few fundamental decisions are made about the city's future without the blessings of a verv small but highly influential group: Galbreath, the wealthy land developer who, in addition to owning the Pittsburgh Pirates, owns most every building here that rises more than 10 floors; the Lazarus family, which founded the area's largest department store; and the Wolfe which owns The Columbus Dispatch, the family, city's largest newspaper, prints the Citizenand owns the Ohio National (BancOhio), a radio station and the Ohio Company, specializes in marketing municipal which

New York Times, 20 November 1978.

securities. The remaining power is held by a group of top executives of the Nationwide Insurance Companies and the prestigious Battelle Institute.

According to other studies, the controlling nucleus of the city's resources appears to be three groups who control extensive economic interlocking directorates of major financial, industrial, and communications enterprises. 38 The first of these groups is said to contain one of the largest bankholding companies in the country. The holding company has had controlling interest at one time in twenty banks, a state bank, savings and loan institution, and an investment company. In addition, the holding company has controlling interest in the local media, a shoe company, and real The second network of interests is said to be estate. centered around a national bank which has a holding company that includes at least two other banks. Supposedly, utility, research, some small industries. and retailing interests are tied together through boards of directorship. Finally, the third grouping of interests, centered also around a national bank, ties together the interests of larger heavy industries, severa! small

<sup>&</sup>lt;sup>38</sup>Henry Barlow, "Community Power and Decision-making in Urban Community," (Ph.D. dissertation, Ohio State University, 1968); and Curtina B. Moreland, "The Black Community of Columbus: A Study of the Structure and Pattern of Power in a Midwestern City," (Ph.D. dissertation, University of Illinois, 1977).

industries, and a national real estate developer. A study done by the <u>Columbus Monthly</u> in 1976 concluded generally that the city was dominated by businessmen, who were mostly in banking, retailing or instrance. <sup>39</sup> The governor made the list because of his personal style and knowledge and use of power, and the mayor because of his official position. Significantly the study concluded that labor, blacks, and women remained without real clout and relatively speaking, so did politicians and lawyers. My findings did not differ markedly from these studies.

2. Only a small number of persons in Columbus have much direct influence, in the sense that they successfully initiate or veto proposals for redevelopment policies.

Dahl in New Haven ruled out a model of urban political organization based on either overt or covert leadership by an economic elite. In fact, he concluded the business and financial leaders of New Haven were not as active in the making of most decisions as might be expected. He also found that the elected political leaders of the community (especially the mayor) and the party officials were important participants in most policy decisions. 40 Stratificationists such as Floyd Hunter, Community Power

<sup>39</sup> Max Brown, "Power in Columbus," Columbus Monthly (March 1976): 24.

<sup>40</sup> Dahl, Who Governs, pp. 190-220.

Structure (Chapel Hill: University of North Carolina Press, 1953) focus on the political importance of wealth and arque a group's place in the structure of influence is determined by its economic positions. Early stratificationists found public officials and politicians to not be a part of the leadership and had to work with the business community to get anywhere. Hunter observed business to be actively involved in local politics. In finding a pattern of business dominance, he found business promoting projects, taking part in election campaigns (covertly), and engineering annexation and reorganization plans.

What I am getting at here is there appears to be a subordinate level of power in Columbus. And those at that level are locally elected and appointed officials and bureaucrats. Dahl referred to these people as "subleaders." This subordinate level of power in Columbus includes its mayor, council members, and members in the bureaucracy.

As a partial explanation, Dahl conceptualizes four groupings of mayors based upon their backgrounds: 42

Patricians: well-educated, legally trained, members of well-established New Haven families.

<sup>&</sup>lt;sup>41</sup>Ibid., op. 163-65.

<sup>42</sup> Ibid., pp. 11-86.

Entrepreneurs: heads of the largest and most prominent New Haven industrial and commercial firms.

Ex-Plebes: men from working-class, ethnic backgrounds who were able to capitalize on the large ethnic population's support.

New Men: one who builds on an ethnic base but also has a wider support as a result of his advocacy of reform programs - particularly urban redevelopment.

As an extension, Donald S. Bradlev and Maver N. Zald<sup>43</sup> suggest a new category:

Political Administrator: one who has demonstrated administrative and managerial abilities, however, cannot be counted among the too leaders in the industrial, commercial, financial, or social affairs of the city.

At hest, Columbus' mayor during the 1970s was a "Political Administrator" whose administration was dominated by the ethos of "the good of the community." A lawyer and former judge, the new mayor was brought in during the early 1970s, when the venerable M.E. Sensebrenner fell into disfavor with principal conservative interests in the city. Shortly after the new mayor's election, we observed

<sup>43</sup> Donald S. Bradlev and Maver N. Zald, "From Commercial Elite to Political Administrative: The Recruitment of the Mayor of Chicago," American Journal of Sociology 70 (September 1965): 153-167; in William A. Schulze, <u>Urban and Community Activities</u> (Duxbury: North Scituate, 1974) p. 286.

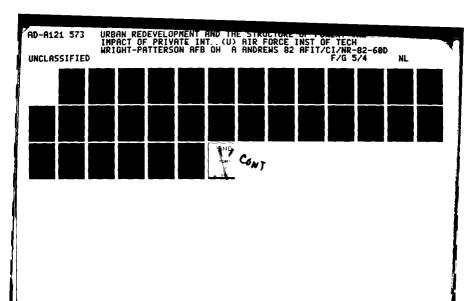
emergence of the massive downtown redevelopment program.

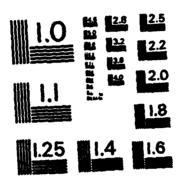
Based on this analysis public officials in the Columbus community carry out the decisions of others.

3. Columbus city government's relations with national, state, and county governments are a dimension of governmental structure that has profound implications for the resources and policy options available to city officials.

"The Federal System," in Martin Grodzins, the President's Commission on National Goals, Goals for Americans (Englewood Cliffs, N.J.: Prentice-Hall, 1960) has written our federal system of government is more like a "marble" cake than a "laver" cake. What this means is often there is no clear division of power among the various levels of government, and government functions are shared by all the levels. Also under our system of checks and balances, no governmental unit can make decisions in isolation from other units. Thus our third laver of key actors in our decision rings is comprised of elected and appointed officials and bureaucrats in county, state, and national government.

A classic example of this muddled effect of government occurred when city, county, state, and federal organizations coalesced early in Ohio Center's development with one common commitment: to divest Battelle of its huge holdings. Such a system of power once mobilized shows clearly the interdependence of these levels. But also as a





MICROCOPY RESOLUTION TEST CHART NATIONAL BUREAU OF STANDARDS - 1962 - A

distinguishable category of participants, county, state, and federal officials and bureaucrats can constitute a set of important contestants in the city's life — sometimes impeding or slowing down the political process. Early in the development of Ohio Center, Battelle Commons Center and the city battled AMTRAK and UMTA. And, as the writer left Columbus, the county and city were contesting the proposed expansion of Veterans Memorial Auditorium. To show a final implication of the federal relation, the author has pointed out in great detail above how the lack of federal largesse has impacted the redevelopment policy process in Columbus.

4. The pattern of political activity represented by lack of organization, distorted perception, interests in symbolic reassurance, ritualistic experiences, and quiescence is a key element in the ability of business interests in Columbus to use political agencies in order to make good their claims on tangible resources and power, thus continuing the threat to the unorganized.

In another ring of the concentric circles which tie the process in Columbus together are individuals outside the policy process altogether. These people aren't core decision makers, nor are they implementors of policy. In comparison, policy implementors aren't involved at the fundamental level, but they are important to the core decision makers: those at the core level must depend upon the implementors to determine the pace and direction of policy administration. As for others in the community, the pluralists argue, however, that "slack resources" can be

mobilized. But to interests in the Black community and poor neighborhoods this isn't <u>creating</u> policy. A key observation made in Columbus was many outside the policy process here were interests in the Black and poor communities who didn't see their policy preferences backed. Associated factors with their situation were lessened accountability among public officials, political recruitment processes, the close alliance between government officials and the business community, and other obstacles to political influence.

5. Those in Columbus who establish the public equal also exercise important power through their capacity to prevent issues from entering the political system.

Where there exists agenda-setting by powerful vested interests and the existence of a systematic bias that prohibits certain policy questions from being debated publicly, the political process often works to the disadvantage of many in the community. In Columbus, one observation was there exists a particular group so strong that it controls which topics are raised for public discussion. Past actions influence active decisions causing anticipation of similar responses in the future. People in Columbus who live in the 1-670's potential pathway are fundamental victims of nondecision. Those who will make the decision to build will not have to be present nor

participate in serious political debate. Meanwhile, until the decision is made, the citizens in that area are classified as engaging in "protest" behavior.

6. The policy process in Columbus is slow but it tends to have a cumulative bias favoring primarily business interests that enjoy close associations with the city's governmental officials: Minority and small business interests do not benefit in the redevelopment policy process in Columbus.

This proposition needs no further explanation given the preceding data.

In general many conflicts within urban communities result from the impact of economic forces on the social systems producing developments and such of the conflict that urban decision makers must manage. Sometimes, to be sure, there is potential that either the economic system will overwhelm the political system or vice versa. We also know that where many aroups and interests have access and influence into the political system, the economic system hasn't cained total control of a community's politics. in some areas the pluralist notion of democracy to its fullest extent has been only partially resliced. Often times, the pluralists' expectations, for example, have been contradicted. Where this is the case, a first step toward revitalization. In the urban community should be toward a humanized form of pluralism. An implicit assumption is a substantive to city's citizenty some thing BAY have contribute to that city's policy processes.

# <u>Augustions</u> For Further Atuav

Programs worthy of future study in Columbus include, in addition to the impacts of Chio Center, the Capitol Mouth urban redevelopment project, and the proposed I-670 freeway. As one can interpret from this study these are important elements in Columbus' "new" redevelopment policy. Research here can provide the political scientist an in depth study of various aspects of the policy process and the impact it has on the community. When the writer left Columbus, the Capitol South proposel was in a stage where formulation and legitimation intermingled with implementation. In contrast, the I-670 proposel remained in a controversial formulation and legitimation stage. The impacts of these two programs will reveal much about covernment responsiveness to public needs in Columbus.

# APPENDIX A

# Interview Instrument - General

- A. What is your name?
- B. Now old are your?
- C. What is your marital status?
- D. What is your address?
- E. Now long have you lived in Columbus?
- F. What is the highest grade you completed in school (e.g. high school, number of years of college, graduate or professional school)?
- G. What college and/or professional degrees, if any, do you hold?
- H. If you have a religious preference, is it Catholic, Jewish, Protestant or some other?
- 1. What is your occupation?
- J. What jurisdiction do you have in your occupation?
- R. What is your salary in your position?
- L. Some consider themselves to be members of political parties, while others do not. Would you consider yourself a Democrat, Independent, Republican or what?
- M. If you belong to a political party, do you consider yourself a strong party member or not a very strong party member?
- PART II. I would now like to ask you a series of questions about your political background:
- A. Have you ever been elected to a public office?
  - 1. If yes, what office and when were you elected?
  - 2. If no, have you ever run for a public office?

- B. Have you ever held an appointed government position?
- C. Nave you been appointed to other government positions? If so, what were they and when?
- D. Briefly describe for me the nature of your political involvement over the last 10 years.
- PART III. As a part of my research, I'm seeking to identify as many individuals as I can who can give me detailed information on community development patterns as they relate to the building of the I-670 Freevay, the construction of the Chio Convention Center, and the Capitol South Reconstruction Project.
- A. Please identify for me as many people as you can who might provide me with detailed factual information concerning those projects.
- B. Which of these individuals do you think would be of greatest help to me?
- C Which of these individuals do you think would be of least help to me?
- PART IV. Now I would like to ask you a few questions concerning the history of urban redevelopment in the city of Columbus.
- A. Going back as far as you can, would you trace for me the key stages in the growth and development of Columbus as an urban community. I would be particularly interested in events and individuals who have had a role in shaping the pattern of growth that has prevailed in Columbus.
- B. What has been the response of the democratic and republican parties to these developments?
- C. What has been the response of the business community to these developments?
- D. What has been the response of the civic and social elements in the white community?
- E. What has been the response of the civic and social elements in the black community?

- F. What has been the response of elected and appointed officials to these developments?
- PART V. Now I would like to turn to a discussion of the development project(s) mentioned above.
- A. Could you tell me the key factors that entered into the decision to construct the (I-670 Preeway/Chio Convention Center/Capitol South Redevelopment Project) in Columbus?
- B. Indicate to me the organizations that were vitally involved in the initiation of this project and describe for me as extensively (completely) as you can the nature of their involvement.
- C. Why do you think these organizations were involved?
- D. What did they have to gain or lose by the construction or nonconstruction of this expressway?
- E. Now would you gauge the impact of each of these organizations on a decision that was made to construct this project? Would you say they would have a great impact, modest impact, or weak impact? Please explain.
- P. What has been the continuing role of each of these organizations in the implementation of this project?
- G. Why do you feel they have played the role that they have relative to this project?
- H. What has been the impact in the implementation process of these organisations? Now can you explain this?
- I. In attempting to achieve their goals, did these organizations establish alliances with other organizations?
- J. If so, what were these organizations and precisely how did this alliance function?
- R. What did the alliance achieve? Why?
- L. With regard to the project we have been discussing, could you identify for me the key individuals involved in the initiation and implementation of the project?
- M. Were these individuals functioning in the interests of themselves or in the interests of the reganizations to which

they belonged? If they functioned in the interest of the organization, in what way did they work to promote the interests of these organizations?

- N. If they worked in their individual interests, what individual goals were they trying to achieve and what strategies did they adopt in trying to achieve them?
- O. In what way have these individuals influenced the character of decision-making that has prevailed with respect to the project?
- P. Would you please cite some examples if you can as to how this individual exercised this influence?
- Q. What individuals and organisations have not played a significant role in the initiation and implementation of this project whose vested interests would seem to suggest that they ought to have played a role?
- R. Now can you explain their noninvolvement and or lack of influence with respect to this project?
- PART VI. In general, from your point of view, what resources would you suggest are critical to the success of groups and/or individuals seeking to influence public policy making as it relates to community redevelopment?
- A. Now would you define the Columbus power structure?
- 3. Mould you consider political power in Columbus to be highly centralized or dispersed?
- C. Who would you consider to be the key actors in the decision-making process in Columbus?
- PART VII. I would like to ask you some questions about your own perception of redevelopment trends in Columbus.
- A. Do you think the present profests will lead to a revitalisation of the downtown area? (If yes, why?)
- 8. Do you think they will increase economic activity in Columbus, including the creation of new jobs in the service and/or industrial area?

- C. What impact if any will these projects have on present patterns of neighborhood settlement in Columbus? Specifically, will these projects lead to the outmigration of middle class whites to the suburbs or in contrast, will they lead to more whites being concentrated in the central city?
- D. Will these projects lead to a breaking up of racial homogeneity of the black community?
- E. Will they stifle or enhance economic activity in the black community?
- P. What do you feel will be the political impact of these projects?
- G. Would they strengthen the power base of the Democratic party?
- H. Will they enhance the power of the mayor with respect to the city council and the bureaucracy, or on the other hand will they dilute the power of the mayor?
- I. Will they strengthen or weaken the political position of the black community in Columbus?
- J. What segments of the white community will benefit and why?
- A. What segments of the white community will not benefit and why?
- L. Will these projects make Columbus too dependent upon federal support?
- M. If it were possible to map out plans for the redevelopment of Columbus over again, what changes would you suggest be made and why?
- N. Given the present trends you have described above, what do you foresee as the fundamental character of Columbus' social, economic, and political posture two decades from now?
- O. Are there any summary comments you wish to make regarding the questions we've been discussing?

## APPENDIX B

# Interview Instrument - Influentials

- 1. As mentioned previously, my research concerns the community development policy process as it relates to the building of the I-670 Freeway, the construction of the Chio Convention Center, and the Capito: South Reconstruction Project. But first, I would like to ask you some questions about the history of urban redevelopment in the city of Columbus.
- a. Briefly, what do you consider to have been the key stages in the growth and development of Columbus as an urban community? I would be particularly interested in events which have had a role in shaping the pattern of growth that has prevailed in Columbus.
- b. What do you feel has been the general community response to these developments?
- 2. (If not mentioned as a trend) With respect to the three projects, (I-670, OCC, CSRP) could you emplain to me how they fit into the community development trends in Columbus that you have discussed above? Would you say that these are extensions of the old, or are they new initiatives?
- 3. Could you tell me the key factors which entered into the decision to initiate and implement plans for the I-670 project? Now about the Chio Center. . . and finally the Capitol South Reconstruction Project?
- 4. I have a list of possible roles that individual actors may have played in the decision-making process with respect to these projects. According to these roles, how would you describe your role? (List provided)
- a. Decision-maker influencing decisions according to an individual's own evaluation of what the needs are.
- b. Delegate influencing decisions according to explicit instructions from an organization or superior.
- e. Expert advising policy-makers on the basis of knowledge possessed in the field of urban development/redevelopment.

- d. Broker attempting to bring together divergent views to arrive at a policy which is acceptable to all.
- e. Innovator acting as a generator of new ideas and proposals.
- f. Overseer either providing resources for the carrying out of development/redevelopment programs or the review of performance of those who are carrying them out.
- g. Administrator carrying out decisions made by others.
- 5. (If only one role identified) would you say then that this is the role that you have played most often?
- 6. Would you say that you have played any of these other roles with some frequency? (If so, would you please describe them for me also?)
- 7. What factors influenced your decision to get involved to help get established?
- 8. What special resources did you marshal in order to enhance your effectiveness in the making of decisions regarding this/these projects?
- 9. What is your assessment of your success on having an impact on the decision-making process with respect to either one of the projects or all of them? Do you think that you were greatly effective, modestly effective, or not effective at all?
- 10. Now do you account for this impact?
- 11. In attempting to influence decisions within this area, did you cooperate with other groups and/or individuals? If so, who were these groups and/or individuals?
- 12. Why did you feel it necessary to cooperate with them?
- 13. What objectives did you seek to achieve in involving yourself in this/these projects?
- 14. Why did you consider the realization of these objectives to be so important?

- 15. Can you identify other individuals who played a role in making this/these decisions? If yes, who were these individuals and precisely what role did they play?
- 16. What impact do you feel they had?
- 17. How would you characterize the decision-making process relative to this/these projects? Would you say that the process was OPEN (e.g. anyone who wanted to have impact could play a role or CLOSED or perhaps a combination of the two? Please explain.
- 18. What obstacles had to be overcome to get the project off the ground? What strategies were used to overcome the obstacles?
- 19. As related to the proceding question, I now wish you would answer a few specific questions concerning the three projects relative to some problems which may have arisen in the planning and implementation of them.
- 20. With respect to I-670, some have raised questions regarding specific freeway alignments in terms of potential social, economic, and aesthetic effects (e.g. residential impact, dislocations, relocation compensation, and convervation and preservation).
- a. What is your response to these concerns? Do you feel that they are valid or invalid?
  - b. Now do you feel these problems will be handled?
- 21. Some have also questioned the basic need for the freeway in light of other alternatives (e.g. reverse traffic flow arrangements, street improvements, etc., or nothing).
  - a. How do you feel about these concerns?
- 22. Finally and with respect to T-670, some people think that the transportation planning process associated with this project has been inattentive to citizen demands and inputs (e.g. secrecy, lack of information, unwillingness to listen to suggestions), while others feel it has been adequately responsive.
- a. What is your assessment of this situation? If feels process nonresponsive, why do you feel this way? If feels process is responsive, would you please describe how it has been responsive?

- 23. Are there other problems which you have faced which I have not raised? If you, please state them.
- 24. With respect to the Convention Center, a number of problems have also arisen:
- a. Reportedly, one initial problem concerned site selection or where the facility would be located.
  - b. Would you say that this was a problem?
- c. On what basis would you say the site selection was made?
- d. Do you for did you) agree with this selection? Why? May not? Please explain.
- 25. Now would you assess the approach that was used to finance site acquisition for the project? (e.g. \$6 million bond issues approved by voters).
- a. Do you for did your agree or disagree with this approach? Why? Why not?
- 26. Now would you assess the approach that was used to finance the center's construction? (e.g. BMI court settlement of a charitable donation).
- 27. More other alternatives considered? If so, what were they? May weren't they adopted?
- 28. Some contend that tax abatements are necessary to catalyze these types of developments while others do not. What are your feelings with respect to granting tax abatements with respect to this project? Do you feel that they were necessary? Why? Why not? Please explain.
- 29. For a period of time, specifically in the mid 70s, some felt that the Convention Center experienced leadership and organizational problems which may have resulted in construction delays, loss of federal dollars to finance other aspects of development (e.g. transcenter), and incurred unnecessary apposition. On the other hand, some viewed these concerns as unavoidable difficulties which might be associated with any such project.
  - a. What is your assessment?

- b. Do you feel that these problems impeded or enhanced developmental activity with respect to this project? Please explain.
- 30. Do you feel that the center's size (90,000 s.f.) will enable it to compete effectively in the convention market? If yes, why? If no, why not?
- 31. How would you assess the participation of city government in this project? Mould you say that it has been effectively involved throughout the project's history? If so, how? (e.g. some have complained about the city's nonvoting representation on the Battelle Common Company's Board of Trustees what is your response?)
- 32. Pinally, some have felt that minorities and representatives of small business have not been significantly involved in key phases of planning associated with the initiation and implementation of this project.
- a. What is your response to this criticism? Would you say that it is walld or invali!? Would you say that attempts were made to involve these concerns?
- )). Are there other considerations which you wish to raise regarding this project?
- 34. In regard to some specific problems which have been possibly associated with the Capitol South Reconstruction Project, some have considered the city government's posture as being overly responsive in aiding developmental activity with respect to this project (i.e. city granting \$18 million loan for land acquisition), while others have considered the degree of city involvement essential.
- a. What is your view regarding this matter? Please explain.
- b. Why do you feel that city government has played the role it has with respect to this project?
- 35. An issue has also been raised concerning the dependency of a public project on a private corporation funded through undisclosed sources.
  - a. Do you see this as being a problem? Why? Why not?

- 36. Do you feel that the provision of tax abatement incentives will enhance developmental activity in this area? Why? Why not?
- 37. Some people feel that the provision of tax abatements, while spurring developmental activity, also results in the local school system's loss of revenues.
- a. What is your response to this concern? Please explain.
- 38. What is your assessment of the effects on small businessmen and property owners in this area? Mould you say that they will receive adequate dislocation compensation? Why? Why not? (e.g. unfair treatment, unfair property value appraisals).
- 39. Finally, and with regard to these specifics, how would you gauge the input and involvement of minorities and the poor in the initiation and implementation of this project? Would you say that their activity has been characterized by involvement or noninvolvement? Bow can you explain this situation?
- 40. Are there other concerns which you feel should be raised? If so, what are they?
- 41. In terms of these projects, what reaction was there to initial plans from the Mayor's office, various agencies of city government...other governmental units in the Columbus metropolitan area...state government...federal government?
- 42. What was the reaction and/or involvement of various interest groups? Which groups reacted and were involved?... Now were they involved?... Did they agree or disagree with the proposals? Why? Did these groups have any impact on final plans?
- 43. If the decision had to be made on this/these projects again, what changes would you propose be made?
- 44. In general, what do you see as the basic weaknesses/strengths of patterns of redevelopment taking place in Columbus?
- 45. Pertaining to the previous question, I'd like to ask you a final series of questions about your own perception of redevelopment trends in Columbus.

- 46. Do you think the present projects will lead to a revitalization of the downtown area? If yes, why? or why not?
- 47. Do you think they will increase economic activity in Columbus, including the creation of new jobs in the service and/or industrial area?
- 48. What impact if any will these projects have on present patterns of neighborhood settlement in Columbus? Specifically, will these projects lead to the outmigration of middle class whites to the suburbs or in contrast, will they lead to more whites being concentrated in the central city?
- 49. Will these projects lead to a breaking up of racial homogeneity of the black community?
- 50. Will they stifle or enhance economic activity in the black community?
- 51. What do you feel will be the political impact of these projects?
- 52. Will they enhance the power of the mayor with respect to the city council and the bureaucracy, or on the other hand will they dilute the power of the mayor?
- 53. Will they strengthen or weaken the political position of the black community in Columbus?
- 54. What segments of the white community will benefit and why?
- 55. What segments of the white community will not benefit and why?
- 56. Now will these projects affect the relationship between Columbus and the federal government?
- a. Now will they affect the relationship between Columbus and the state government?
- b. Now will they affect the relationship between Columbus and other governmental units in the Columbus metropolitan area?

- 57. If it were possible to map out plans for the redevelopment of Columbus over again, what changes would you suggest be made and why?
- 58. Given the present trends you have described above, what do you foresee as the fundamental character of Columbus' social, economic, and political posture two decades from now?
- 59. Are thee other individuals whom you feel would be helpful to me in this study?
- 60. Are there any summary comments or suggestions you wish to make regarding the questions we've been discussing?

# APPENDIX C

# Interview Instrument - Leaders of Community Organisations

- 1. I'd like to begin by asking you what important community projects you feel you have had important input into the last two years? Pive years? Ten years? Pivese explain.
- 2. Now I would like to ask you a series of questions about your political background:
- a. Have you ever been elected to a public office? If yes, what office and when were you elected? If no, have you ever run for a public office?
- b. Have you ever held an appointed government position?
  If yes, what office and when?
- c. Have you been appointed to other government positions? If so, what were they and when?
- d. Briefly describe for me the nature of your political involvement over the last 10 years.
- 3. As mentioned previously, my research concerns community development patterns as they relate to the building of the I-670 Freeway, the construction of the Ohio Convention Center, and the Capitol South Reconstruction Project. But first, I would like to ask you some questions about the history of urban redevelopment in the city of Columbus.
- a. Going back as far as you can, would you trace for me the key stages in the growth and development of Columbus as an urban community. I would be particularly interested in events and individuals who have had a role in shaping the pattern of growth that has prevailed in Columbus.
- b. What has been the response of organizations in which you've been involved to these developments?
- Now I'd like to turn to a discussion of the three development projects mentioned above.
- 4. First, could you explain to me how each project fits into the community development trends in Columbus that you have discussed above? Is it an extension of the old, or is it a new initiative?

- 19. What kind of relationship has your organization maintained with these other individuals and/or organizations?
- 20. Mould you say the planning and implementation process has been relatively open or relatively closed to individual and group participation?
- 21. Would you please explain the pattern of decision-marking that has prevailed within this policy arena. That is to say please explain to me precisely how decisions have been made and what groups and individuals have been most influential in making them?
- 22. Have there been any groups or individuals left out of this process that you feel should have been included? Who were these groups/individuals? How can you explain their exclusion from the decision-making process?
- 23. Now I would like for you to answer some specific questions concerning problems which may have been associated with the planning and implementation of this project.
- 24. With respect to I-670, some have raised questions regarding specific freeway alignments in terms of their potential social, economic, and aesthetic effects (e.g. residential impact, dislocations, relocation compensation, and conservation and preservation).
- a. What is your response to these considerations? Do you feel that they are valid or invalid?
  - b. Do you feel that these problems will be handled?
- 25. Some have also questioned the basic need for the freeway, and other alternatives have been offered (e.g. reverse traffic flow arrangements, street improvements, etc.)
  - a. How do you feel about these concerns?
- 26. Pinally, and with respect to I-670, some people think that the transportation planning process associated with this project has been inattentive to citizen demands and inputs (e.g. secrecy, lack of information, unwillingness to listen to suggestions), while others feel it has been adequately responsive.

- a. What is your assessment of this situation? If nonresponsive, why do you feel this way? If feels process is responsive, would you please indicate or describe how it has been responsive.
- b. Are there other considerations which I have not raised which you feel that should be? If so, please state them.
- 27. With respect to the Convention Center, a number of problems have also arisen:
- a. Reportedly, one initial problem concerned where the facility would be located. On what basis would you say the site selection was chosen?
- b. Do you or did you agree with the selection? Why? Why not? Please explain.
- 28. How would you assess the approaches that were used to finance site acquisition and the center's construction costs? (e.g. \$6 million bond issue approved by voters, \$37 million provided as a charitable contribution from Battelle Memorial Institute, and hotel financing through private sources). Do you or did you agree with these approaches? Why? Why not?
- 29. Some contend that tax abatements are necessary to catalyze these types of developments while others do not. What are your feelings with respect to granting tax abatements with respect to this project? Do you feel that they were necessary? Why? Why not? Please explain.
- 30. For a period of time, specifically in the mid 70s, some felt that the Convention Center experienced leadership and organizational problems which may have resulted in construction delays, less of federal dollars to finance other aspects of development (transcenter), and incurred unnecessary opposition. On the other hand some viewed these concerns as unavoidable difficulties which might be associated with any such project.
  - a. What is your assessment?
- b. Do you feel that these problems impeded or enhanced developmental activity with respect to this project? Please explain.

- 31. Do you feel that the center's size, 90,000 s.f. will enable it to complete effectively in the convention market? If yes, why? If no, please explain.
- 32. Now would you assess the participation of city government in this project? Mould you say that it has been effectively involved throughout the project's history? (e.g. some people have complained about the city's being reluctantly appointed to the Battelle Common's Board, while others have suggested that they should have been minimally involved). Why do you feel the way that you do?
- Finally, 33. **SOM9** pave felt that minorities and small. business representatives of bave significantly involved in the key phases of planning associated with the initiation and implementation of this project.
- a. What is your response to this criticism? Mould you say that it is valid or invalid? Mould you say that attempts were made to involve these concerns? Are there any other considerations which you feel should be raised?
- 34. In regard to some specific problems which have been possibly associated with the Capitol South Reconstruction Project, some have considered the city government's posture as being overly responsive in aiding developmental activity with respect to this project (i.e. city granting \$18 million loan for land acquisition: eminent domain proceedings associated with land acquisition proceedings) while others have considered city involvement essential.
- a. What is your view regarding this matter? Please explain.
- b. Why do you feel that city government has played the role it has with respect to this project?
- 35. An issue has also been raised concerning the dependency of a public project on a private corporation funded through undisclosed sources.
- a. Do you see this as being a valid criticism? Why? Why not?
- 36. Do you feel that the provision of tax abatement incentives will enhance developmental activity in this area? Why? Why not?

- 37. Some people feel that the provision of tax abatement incentives, while spurring development activity, also results in the local school system's loss of revenues because of tax free improvements.
- a. What is your response to this criticism? Please explain.
- 38. Finally, and with regard to these specifics, how would you gauge the input and involvement of minorities and the poor in the initiation and implementation of this project? Would you say that their activity has been characterised by involvement or noninvolvement? How can you explain this situation? What other considerations should be raised?
- 39. In general, from your point of view, what resources do you feel are critical to the success of groups and/or individuals seeking to influence policymaking as it relates to community redevelopment?
- 40. Finally, I would like to ask you some questions about your own perception of redevelopment trends in Columbus.
- a. First, do you think the present projects will lead to a revitalisation of the downtown area? If yes, why? If no, why not?
- 41. Do you think they will increase economic activity in Columbus, including the creation of new jobs in the service and/or industrial area?
- 42. What impact if any will these projects have on present patterns of neighborhood settlement in Columbus? Specifically will these projects lead to the outmigration of middle class whites to the suburbs or in contrast, will they lead to more whites being concentrated in the central city?
- 43. Will these projects lead to a breaking up of racial homogeneity of the black community?
- 44. Will they stifle or enhance economic activity in the black community?
- 45. What do you feel will be the political impact of these projects?
- 46. Would they strengthen the power base of the Democratic party?

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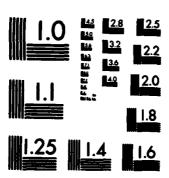
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